

1975

An Exploratory Analysis of Consumer Preferences and Expectations of Complaint Processes.

Edwin Cooper Baxley Jr

Louisiana State University and Agricultural & Mechanical College

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AN EXPLORATORY ANALYSIS OF CONSUMER PREFERENCES
AND EXPECTATIONS OF COMPLAINT PROCESSES

A Dissertation

Submitted to the Graduate Faculty of the
Louisiana State University and
Agricultural and Mechanical College
in partial fulfillment of the
requirements for the degree of
Doctor of Philosophy

in

The Department of Marketing

by

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ABSTRACT

The past decade and a half has been referred to as the era of consumerism. During this period of time, greater numbers of consumers have become frustrated, dissatisfied, and indignant. An excellent example of response to this frustration has been consumers' willingness to complain more. The major purpose of this research is the exploratory analysis of certain aspects of consumer preferences and expectations in complaint processes.

The major focus of the research is three basic research questions. These research questions are:

1. What types of problems lead to complaints?
2. What are the preferences of consumers as to procedures to follow in the complaint process?
3. What are the preferable action expectations of consumers in the complaint process?

The findings are based on 400 telephone interviews conducted with heads of households or housewives in three Standard Metropolitan Statistical Areas. A systematic sample with 180 interviews in Norfolk-Portsmouth, Virginia, 80 interviews in Hampton-Newport News, Virginia, and 140 interviews in Richmond, Virginia, provides the data for analysis.

A proprietary computer program was used that produced

tables for analysis.

This research shows that market problems ranging from the simple to the complex may lead to a consumer complaint. The propensity to complain is greater than the propensity not to complain. The reasons offered by respondents for choosing not to complain vary considerably and include: (1) It is too much trouble to complain, (2) Nothing can be done if one complains, (3) Time is too valuable to complain, (4) Don't know how to complain, (5) Don't know to whom to complain, (6) Problem unworthy of a complaint.

This study shows that consumers would prefer to complain in the following rank order: (1) in person, (2) by telephone, and (3) by mail. The study also shows that consumers would prefer to complain to parties in the following rank order: (1) to the vendor, (2) to the producer, (3) to private agencies, and (4) to public agencies.

Consumers are unaware of the existence of public and private agencies as parties to whom a complaint may be directed. The action most preferred by those respondents who complained to a public or private agency was for the public or private agency to exert pressure on the business firm or solve their problem as requested. The action most preferred by those respondents who complained to the store or manufacturer was for the store or manufacturer to give them a replacement for the product, a refund for the prod-

uct, or repair the product.

Consumers expect a response quickly from the party to whom they complain. This study showed that respondents expected a response within one week.

The dissertation is concluded with a graphic summary model of the complaint process based on the study and hypotheses developed from the study. Also, the limitations to the research are discussed. Several promising areas for future research are: (1) that more research be conducted to determine the underlying causes of the propensity to complain, (2) research which determines the role of the government in assisting a complainant, and (3) research that monitors business firms, on an ongoing basis to see how well they handle the complaints they receive.

CHAPTER I

INTRODUCTION TO THE PROBLEM

Introduction

This is an era of great expressed concern for the welfare and protection of the consumer. Ample evidence of this idea has manifest itself in the decade of the 1960's and now into the 1970's. Aaker and Day have referred to this phenomenon as the age of the "discontented consumer."¹ An excellent example of this expressed concern is in the arena of complaint handling and complaint registration, or in the complaint process.

Of particular interest are the various public and private agencies and business firms that handle consumer complaints. These agencies have been created to protect, provide information to, and educate consumers of all ages and in all income categories. Yet, it is uncertain whether the services provided by public agencies, private agencies, and business firms meet with the preferences and expectations of consumers in the complaint process.

The problem, briefly stated, is to determine the preferences and expectations of consumers in the complaint

¹George S. Day and David A. Aaker, "A Guide to Consumerism," Journal of Marketing XXXIV (July, 1970), p. 15.

process. This study will attempt to determine the preferences and expectations of consumers in the complaint process with regard to the types of problems that lead to a complaint, preferences in regard to procedures to follow in the complaint process, and expectations as to outcome in the complaint process.

Much attention has been focused on the need for the consumer to complain more.² The popular literature is full of articles telling consumers how and to whom they should direct complaints.³ But little attention is given to what consumers might expect or prefer in the complaint process. This fact indicates the need for the present research.

Thus, an introductory overview of the study has been presented, but the objectives must be clearly stated.

Objectives of the Study

The general objective of this research is to conduct an exploratory study to determine consumer preferences and expectations of complaint processes. The study will seek descriptive answers to a number of basic research questions.

The specific research questions that are to be

²A. T. Baker, "Louder! The Need to Complain More," Time (June 3, 1972), pp. 32-33.

³Ralph Nader, "Tis the Season to be Buying! Here's How and To Whom You Should Direct Complaints," Ladies' Home Journal (December, 1972), pp. 44-45.

answered in this study are:

1. What types of problems (or types of consumer dissatisfaction) lead to a complaint? This question is concerned with the types of product problems, service problems, or relationships that the consumer may have with a retailer or manufacturer that may lead to a complaint.
2. What are the preferences of consumers as to procedures to follow in complaining? This question is concerned with mechanisms used to complain and parties to whom the complaint is directed.
3. What are the preferable expectations of consumers in the complaint process?

After the answers to these questions have been obtained, they will be refined and expanded, and used as inputs to develop a model and hypotheses of the consumer's complaint process.

Thus, the objectives of the study have been stated, but the justifications of the study are equally important and will be presented next.

Justifications of the Study

The justifications for this study rest upon two broad grounds. First, this study is justified on the basis of its general importance to society, consumers, government, marketing scholars, marketing theorists, and marketing practitioners. Secondly, the study is justified on the basis of lack of research within the area. This latter justification will take place in the context of the literature review (Chapter II). However, selected references will be made in the pages that follow to the

literature review.

This study should be considered important to society in general and to consumers in particular because every person is a consumer, and at some point in time this consumer will have a problem with or become dissatisfied with a product or service and will go through a state of dissonance. This research, when completed, will provide information to society and consumers within it to help understand such problems. Cognitive dissonance theory is certainly relevant to a consumer who becomes dissatisfied because this state of conflict must be resolved in some manner. Cognitive dissonance is discussed further in Chapter II. This study will develop a model (diagrammatic delineation) of the consumer's complaint process as one of its major outputs. Therefore, one of the prime contributions of this study will be the development of a model that describes a consumer process (complaints) that heretofore has been neglected. Further, this study should be considered important by societal members (consumers) because it will report preferences and expectations of consumers in the complaint process as determined by them. Heretofore, these preferences have been decided for consumers by others.

Prior to the rise of consumerism business firms within the business system were negligent toward complaints and complaint handling. The execution of rights

was usually left to the consumer under caveat emptor. Further the consumer was given certain legal rights, but the courts at all levels usually did not solve their problems. Better Business Bureaus have existed for years, yet their ability in handling complaints has been limited. However, with the rise of consumerism business firms within the business system have become more concerned about complaints in general, and as a result, many business firms have developed or are developing positive response programs for the handling of complaints (see Chapter 11 for an elaboration of this point).

The government has become more and more involved in matters of consumer protection and welfare. And a large part of this involvement is concerned with consumer complaints. Certain government agencies (e.g., Office of Consumer Affairs) handles a large volume of complaints every year, and it is not known to this body what consumers prefer to expect of them. Rather, the government has been a major force in determining what they think consumers might prefer to expect.

This research will be of value to the government (especially federal, state, and local bodies that handle complaints) because it will describe preferences and expectations of complaint processes as determined by consumers. Such a study has not been attempted heretofore, and it will provide the government with a new

source of information and insight into a very complex process. The government has been lax in practicing principles of democratic governance in the complaint process, and it is hoped that this study will entice those agencies involved with consumer complaints to re-evaluate this.

Marketing scholars, theorists, and practitioners should realize the importance of this study because the complaint process has been neglected by these groups. Marketing textbooks, for example, give only brief mention and attention to complaints (see literature review). It is not necessarily true that these groups have neglected complaints intentionally, but it is true that their neglect is obvious as reflected by the sparse amount of writing on this topic in marketing textbooks, periodicals, scholarly papers, and monographs. Marketers have tended to view consumers in two diametrically opposed fashions (consumer sovereignty vs. consumer as pawn). The complaint process itself would tend to reinforce and support one of the views more than the other. And this study will shed some light on an issue that now seems or appears to be uncertain.

Marketing theorists should especially be interested in and see the importance of this study because one of its outputs will be the development of a theoretical and conceptual model of the consumer's complaint process. Such a model is not available at the present time. This

model will be conceptually conceived from primary research data, and will be a description of a real world process. To those marketing theorists that are model oriented, it should be of particular interest.

Further, to the quantitative and qualitative marketer this study should be important because it will develop a set of rigorous hypotheses that are testable. If interested, these types of marketers can put these hypotheses as developed to empirical tests of their own choosing.

Marketing practitioners should appreciate this study and its importance because all members of this body must deal with complaints at one time or another and at one level or another. This study will provide answers to consumer preferences and expectations of complaint processes and will be applicable to anyone who handles complaints (e.g., manufacturer, retailer, formal agencies, etc.).

This study is justified further because of lack of research into the area. The reader is referred to Chapter II for a full treatment of this area.

Although the justifications of this study have been discussed, the scope of the research must be established.

Scope of the Research

This study is restricted to the investigation of consumer preferences and expectations of complaint processes in the three Standard Metropolitan Statistical

Areas of Richmond, Virginia; Norfolk-Portsmouth, Virginia; and Hampton-Newport News, Virginia. Two of these three areas comprise the Hampton Roads sector of the Commonwealth of Virginia. Richmond is referred to as Central Virginia.

The scope of the study is confined to a review of consumer preferences and expectations of complaint processes as described in the literature, development of the research design, construction of a survey instrument, data collection and the analysis and interpretation of survey results.

This research will be an exploratory study which will seek descriptive answers to three broad research questions. These research questions are:

1. What types of problems (or types of consumer dissatisfaction) lead to a complaint? In expanded and refined form, the questions will seek descriptive answers to types of product problems, service problems or relationship problems with manufacturers or retailers that may eventually lead to a complaint. It is an assumption of this study that a complaint is the result of a state of dissatisfaction.
2. What are the preferences of consumers as to procedures to follow in complaining? Here the researcher will determine how consumers prefer to complain (e.g., mail, phone call, or in person). In addition, preferences will be determined with regard to parties to whom consumers may complain (e.g., public agency, private agency, retailer, manufacturer, sympathetic parties, etc.). This broad area will determine mechanisms preferred in the complaint process and parties to whom complaints may be directed in the complaint process.
3. What are the preferable expectations of consumers in the complaint process? This broad area and

research question will seek descriptive answers to what consumers expect in regard to responses from the party to whom they complain. The time element will also be ascertained for the expected response. That is, the study will determine how long consumers think a response should take.

The scope of this study should be viewed as a simple input-output process. The inputs are seeking descriptive answers to the broad research questions just discussed through exploratory research. And the outputs will thus be the development of a conceptual model (diagrammatic delineation) of the consumer's complaint process and the development of a set of rigorous, testable hypotheses.

The scope of this study is limited further in that the researcher will develop both the conceptual model and the hypotheses, but will not test either of them. This in itself will be a major contribution to the marketing body of knowledge, and the model and hypotheses can be tested by other researchers at some later point in time.

The scope of this study is partially limited by the lack of literature available on the topic. The bulk of the literature on complaints or complaint processes deals with how to complain and to whom to complain. None of the literature addresses itself to preferences and expectations of consumers. Rather, the treatment of complaints in the literature tends to be fragmented. This research study will place the whole complaint process in a new perspective because it will deal with the whole complaint

process and not just the parts thereof.

The following definitions limit the scope of this research:

Consumer expectations are described as subjective notions of things to come.⁴ Negative disconfirmation takes place when actual or objective party performance cannot match expectations for it. Positive disconfirmation may occur when objective party performance activity exceeds expectations.

Expectations are created and strengthened by corporate promotional mixes, past experiences, opinions of friends and associates, impartial product rating services, or general aspiration levels. There is little doubt that consumers' expectations are major determinants of overall consumer behavior.⁵

Complaint handling bodies are described as any agency in the public or private sector that acts as third party intervenor on behalf of a complainant. Or a complaint handling body may include the vendor or manufacturer.

Complaint processes refers to procedures to follow in complaining, to states of dissatisfaction (cognitive dissonance) that lead to a complaint, mechanisms used in registering complaints, preferences of complainants, expectations of complainants as to outcome and courses of action preferred by complainants.

Consumer preferences refers to the giving of priority or advantage or first choice to an array of alternative possibilities.

⁴George Katona, "Business Expectations in the Framework of Psychological Economics (Toward a Theory of Expectations)," in Mary Jean Bowman, Expectations, Uncertainty, and Business Behavior (New York: Social Science Research Council), 1958.

⁵Richard N. Cordozo, An Experimental Study of Customer Effort, Expectation, and Satisfaction, Ph.D. Dissertation, University of Minnesota, 1964.

The scope of this study has been determined. Now the methodology to be employed will be discussed.

Methodology

The basic research approach of this study is an exploratory and descriptive analysis to determine consumer preferences and expectations of complaint processes.

According to Boyd and Westfall, a good exploratory study would include two or three parts, depending on the nature of the study. These parts are:⁶

1. Study of secondary sources of information.
2. Survey of individuals who are apt to have ideas on the general subject.
3. Analysis of selected cases.

The specific research approach used in this study includes a (1) concise statement of the problem, (2) a thorough review of the literature related to consumer preferences and expectations of complaint processes, (3) an explicit statement of the research design, (4) construction of a survey instrument, (5) collection of data from respondents, and (6) an analysis and interpretation of survey results.

⁶Harper W. Boyd and Ralph Westfall, Marketing Research: Text and Cases, 3rd edition (Homewood, Illinois: Richard D. Irwin, Inc.) 1972, p. 48.

General Research Design

The general research design is an exploratory and descriptive analysis conducted in three Standard Metropolitan Statistical Areas in the state of Virginia. These three SMSA's are: Richmond, Virginia; Norfolk-Portsmouth, Virginia; and Hampton-Newport News, Virginia.

Since the objective of an exploratory study is to find new relationships, no formal design can be established. Flexibility and ingenuity should characterize the investigation.⁷ The state of the art in the literature at this time in regard to consumer preferences and expectations of complaint processes does not permit the statement of hypotheses. However, upon completion of this study, it will be possible to develop hypotheses, and areas in need of further research.

Since exploratory studies do not permit the use of formal design, three lines of attack are available. These lines of attack were mentioned on the preceding page. This research will employ the first two of these lines for the purposes of data collection and sources of data. Emphasis will be placed on the second step.

The basic method of data collection for this study will be a survey of consumers (household heads or housewives) by means of telephone interviews in the three SMSA's

⁷Ibid., p. 47.

mentioned above. The benefits derived from using telephone interviews are: (1) accurate control of persons interviewed (the sample), (2) control over what the interviewer asks and how he asks it, (3) control over the quality of the interview as measured by such things as number of refusals, interviews per hour, number of incomplete interviews, and the amount of editing required on completed interviews. The use of the telephone survey provides close, centralized supervision of the actual process of data collection. No such supervision is feasible with personal interviews. Telephone interviews have another important advantage in getting accurate data -- they can be used to collect information on events at the same time they are happening. The wide ownership of telephones now makes it feasible to use telephone homes as the sampling population for most types of studies.

Telephone calls make it possible to reach persons who are often difficult to reach by personal interview and the speed of the call back process is greatly enhanced by use of telephone surveys. This research used telephone interviewing for convenience.

David J. Luck recently completed a statewide survey by telephone that obtained satisfactory responses from 92 percent of the desired sample of households, with less than

2 percent of the listed homes refusing to cooperate.⁸

Through the cumulative development of techniques, telephone interviewing is gaining a high degree of reliability and efficiency.⁹

These interviews will be conducted by the Southeastern Institute of Research in Richmond, Virginia, over a WATS network. The researcher was present during the interviewing process.

Sampling Procedures

The sampling units used in this study are consumers (heads of households or housewives) living in the three following Standard Metropolitan Statistical Areas: Norfolk-Portsmouth, Virginia; Hampton-Newport News, Virginia; and Richmond, Virginia. Heads of households or housewives are chosen as the sampling unit because it is assumed that either of these individuals are equally likely to complain.

A brief look at pertinent characteristics of each SMSA chosen should convince the reader that these areas are representative and heterogenous enough to be used as sampling points.

Next is presented a side-by-side comparison of the three Standard Metropolitan Statistical Areas that will

⁸David J. Luck, Hugh G. Wales, and Donald A. Taylor, Marketing Research, 3rd edition (Englewood Cliffs, N.J.: Prentice Hall, Inc.), 1970, p. 281.

⁹Ibid., p. 282.

be used as sampling points in this research. The three Standard Metropolitan Statistical Areas will be presented in the following order: Norfolk-Portsmouth; Hampton-Newport News; and Richmond, Virginia.¹⁰

In summary, these three Standard Metropolitan Statistical Areas have been chosen as sampling points for the following reasons:

1. Each SMSA has an adequate balance of cosmopolitan, urban, rural, ghetto, ethnic, and in-migration factors as reflected in the statistical data previously given.
2. The three SMSA areas have similar life styles and populations over one-half million.
3. The preferences and expectations of consumers in the Standard Metropolitan Statistical Areas surveyed should be considered important by all parties who handle complaints because no study of this nature has been done heretofore, and this study will supply information that will be of value to them.
4. A national survey is impossible due to the financial limitations of this study. It is assumed that three SMSA's in a geographical area will provide a better measure of preferences and expectations than a survey of one SMSA in a geographical area.
5. It is likely that consumers living in other Standard Metropolitan Statistical Areas would have similar preferences and expectations of complaint processes as those living in the Standard Metropolitan Statistical Areas surveyed. However, to substantiate this assumption, other SMSA's would be in need of a similar survey.

¹⁰U.S. Bureau of the Census, 1970 Census of Population and Housing: "Standard Metropolitan Statistical Areas," PHC (1) 147, 148, 173, pp. 1-31.

PERTINENT DEMOGRAPHIC CHARACTERISTICS OF
THE STANDARD METROPOLITAN STATISTICAL AREAS
OF NORFOLK-PORTSMOUTH, HAMPTON-NEWPORT NEWS
AND RICHMOND, VIRGINIA

Characteristics	Norfolk- Portsmouth	Richmond	Newport News- Hampton	United States Average
<u>Race</u>				
Percent White	75.3	74.9	74.5	77.5
Percent Negro	24.7	25.1	25.5	22.5
<u>Age</u>				
Under 5 years	8.5	7.6	9.1	7.6
18-64 years	61.0	58.2	58.9	NA
65 years & over	7.1	11.3	5.1	12.0
Median age	24.2 yrs.	30.1 yrs.	24.2 yrs.	29.3 yrs.
<u>Income</u>				
Less than \$5,000	22.6	17.0	18.1	20.3
\$10,000-14,999	24.8	29.0	27.4	26.6
\$15,000 or more	16.1	21.2	19.4	20.6
Median family income	\$8,705	\$10,034	\$9,554	\$9,590
Persons with income below poverty level	13.4	10.1	8.9	10.7

PERTINENT DEMOGRAPHIC CHARACTERISTICS -- Continued

Characteristics	Norfolk- Portsmouth	Richmond	Newport News- Hampton	United States Average
<u>Years of School Completed</u>				
Median school years completed	11.8	11.7	12.1	12.2
Percent high school graduates	48.3	47.1	52.1	56.4
<u>Occupation</u>				
Private wage & salary workers	.65	.76	.68	NA
Govt. workers	.30	.20	.28	NA
Local Govt. wkrs.	.10	.08	.10	NA
Self-employed workers	.05	.05	.04	NA
Unpaid family workers	.003	.002	.002	NA
<u>Nativity, Parentage, and Country of Origin</u>				
Native of native parentage	.93	.95	.93	.72
Native of foreign or mixed parentage	.05	.03	.05	.11
Foreign born	.02	.01	.02	.04

PERTINENT DEMOGRAPHIC CHARACTERISTICS -- Continued

Characteristics	Norfolk- Portsmouth	Richmond	Newport News- Hampton	United States Average
Foreign stock	.07	.05	.07	.17
<u>Vital Statistics</u>				
Birth rate	19.6	17.6	20.3	17.6
Death rate	7.6	9.7	6.4	9.5
Marriage rate	7.9	8.6	7.8	10.6

The writer does not claim that the findings of this study can be projected to the entire United States. But it is possible that similar preferences and expectations of complaint processes exist throughout the United States. Geographically, the sample is slanted toward the southeastern part of the state of Virginia. This area is referred to as Hampton Roads, Tidewater, or the Peninsula. The sample was selected in this manner for convenience.

The specific sample design will consist of a systematic probability sample of approximately 180 subjects in the Norfolk-Portsmouth SMSA, 80 in the Hampton-Newport News SMSA, and 140 in the Richmond SMSA. This sample design will accomplish the following objectives:

1. Provide a concentrated geographic basis for inference in the three SMSA's in Richmond-Tidewater, Virginia. The rationale for this is that the inferential method is used most often when questionnaire surveys are involved. Inductive conclusions are drawn by applying logical judgment to indirect evidence.
2. Reflect a mixture of age, sex, ethnic, cultural, income, and occupation differences. The rationale for this is to provide a broad, heterogeneous base from which to choose a sample, and provide diversity among the sample.
3. Provide a basis for comparison among these SMSA's to note similarities or dissimilarities in terms of what consumers prefer and expect from complaint processes. The rationale for this objective is to note if consumer preferences and expectations in the three contiguous SMSA's are compatible or incongruent with one another.

A sample of this size (400) provides the statistical confidence necessary. A systematic sample is a type of

cluster sample.¹¹ And a cluster sample is a type of probability sample. A systematic sample may be used if the population is organized in an orderly way. For example, a telephone directory is arranged in alphabetical order.

In probability sampling, some change or random mechanism is employed in selecting the sample from the sampling frame. This implies that each combination of n numbers of a population of size N has a known and computable probability of being included in the sample selected from the population. Probability sampling has the desirable property that an objective assessment of random error can be made.¹²

Cochran lists the following advantages of systematic samples over simple random sampling.¹³

1. It is easier to draw a sample and often easier to execute without mistakes.
2. Systematic sampling seems likely to be more precise than simple random sampling.

One important disadvantage arises in using systematic sampling. A basic difficulty may arise in systematic sampling when the universe listing contains "hidden periodi-

¹¹Boyd and Westfall, op. cit., p. 404.

¹²Keith K. Cox and Ben M. Enis, The Marketing Research Process (Pacific Palisades, Calif.: Good Year Publishing Co.), 1972, p. 268.

¹³William G. Cochran, Sampling Techniques (New York: John Wiley and Sons, Inc.), 1953, p. 160.

cities." It is not always possible to determine whether a periodicity is present or to evaluate its significance if it is suspected.

This researcher will employ the systematic sampling technique in the three SMSA's previously mentioned, by means of telephone interviews.

Sample Size

A total of 400 interviews will be conducted in the three sample (SMSA) areas. Several criteria indicated that this sample size is sufficient for the purposes of this study.

When determining a given sample size, the concepts of sampling error, confidence intervals, and confidence levels must be taken into account. Most formulas used in the determination of sample size call for some advance knowledge of the population.

A formula is presented to indicate the total sample size desirable in all three Standard Metropolitan Statistical Areas collectively. The formula is for the required sample size n , for a given precision d , and reliability z .

The formula used is:¹⁴

$$n = \frac{Nz^2pq}{Nd^2 + z^2pq}$$

¹⁴Taro Yamane, Elementary Sampling Theory (Englewood Cliffs, N.J.: Prentice-Hall, Inc.), 1967, p. 98.

\underline{P} and \underline{q} are the estimated proportion of complainers to non-complainers.

Using this formula with known factors, the sample size is:

$$n = \frac{1,500,000 \times 2^2 \times .5 \times .5}{1,500,000 \times (.05)^2 + (2)^2(.5)(.5)} = 400$$

This formula suggests that the sample size required has a confidence limit of 95%.

From the total population of the three SMSA's collectively, and after computing the aggregate sample size, the sample size needed for each SMSA individually can be proportioned from the total population. Richmond comprises 35% of the total SMSA population; Norfolk-Portsmouth comprise 45% of the total SMSA population; and Hampton-Newport News comprise the remaining 20% of the total SMSA population. Therefore, the total number of interviews to be conducted can be summarized as:

Norfolk-Portsmouth	180
Hampton-Newport News	80
Richmond	140
<hr/>	
Total Sample Size	400

Interviewing Procedure and Data Collection Instrument

The research questions to which descriptive answers are being sought have been discussed in previous pages. But it might be well to reiterate these questions at this point. These questions are:

1. What types of problems (or types of consumer dissatisfaction) lead to a complaint?

2. What are the preferences of consumers as to procedures to follow in complaining? Here attention will be given to mechanisms used to complain and parties to whom the complaint is directed.
3. What are the preferable expectations (or outcomes) of consumers in the complaint process?

All of these questions are to be answered by means of a questionnaire through telephone interviewing. The questionnaire was constructed in such a manner that it is possible to classify problems according to the complexity of the decision making process. Specifically, the questionnaire contained 12 hypothetical cases (problems) that ranged from simple to complex.

A simple taxonomic system was developed for purposes of questionnaire construction. One part of the system employs the traditional method of classifying consumer goods (convenience, shopping, and specialty). The second part of the system deals with problems hypothetically posed to create a minor economic loss, create a major economic loss, create a health or safety problem, and create a major inconvenience. When these two parts of the system are combined, a simple three by four typology (taxonomic system) is thereby developed. The same four categories of problems (cases) were used for the other two types of goods. This made it possible to analyze objective one in terms of product type and in terms of the type of complaint (although limited to the four cases above). It was also possible to analyze objective one in terms of some mixture

or relationship between product type and type of complaint.

Each interviewee was given two cases of the four for each type of good on a random basis in order to:

- a. avoid bias due to the order of the cases in the interview;
- b. avoid bias due to the particular nature of the individual cases.

The questionnaire was also designed in such a way that it was possible to anticipate the types of answers a respondent may give. After the respondent was asked a hypothetical question, they were then asked whether or not they would complain about the problem. If the answer given was yes, then one set of questions was asked. If the answer given was no or don't know, then another set of questions was asked. These sets of questions made it possible to analyze objectives number two and number three.

The questionnaire was designed not only to answer those broad research questions already cited, but it also was designed to make it possible to develop a conceptual model (diagrammatic delineation) of the consumer's complaint process and also develop hypotheses of the consumer's complaint process. Both of these appear in the last chapter of the dissertation.

The interviews were conducted in the three SMSA areas previously cited by the Southeastern Institute of Research in Richmond, Virginia.

The questionnaire was coded and key-punched by the

same organization.

Statistical Analysis

For purposes of statistical analysis, the researcher used a proprietary program written by Dr. Bob S. Hodges of the University of Richmond, Richmond, Virginia. This program produced tables for analysis.

It was impossible to use Chi-Square analysis or other types of contingency tests in this research because:

1. There was lack of statistical independence because of the mixing process used in the questionnaire. (See discussion of data collection instrument previously cited.)
2. There were multiple responses within questions.
3. The expected frequencies within cells were not high enough.
4. There would have been a need for large (huge) sample sizes (in order to get minimum expected cell frequencies).
5. The problem of many questions being open-ended.

In all cases in this research the variables that were measured were attributes. These variables were: the tendency to complain versus the tendency not to complain, preferences of consumers as to parties to whom a complaint is directed, preferences of consumers as to mechanisms to use in complaining, and expectations of consumers as to outcome in the complaint process.

Each hypothetical question used in this study was treated as an input for analysis. Specifically, the questionnaire was to analyze objective number one in terms

of product type and type of complaint as perceived by the consumer.

Since this research was exploratory in nature, simple descriptive statistics were all that were needed to analyze the data.

The plan of presentation for this research will be discussed in the succeeding section.

Plan of Presentation

The first chapter of the dissertation has dealt with an introduction to the problem to be investigated, objectives of the study, justifications of the study, scope of the research methodology, and plan of presentation.

Chapter Two reviews literature relevant to preferences and expectations of the consumer's complaint process.

Chapter Three is an analysis of types of problems that lead to a complaint.

Chapter Four analyzes preferences of consumers as to procedures to follow in complaining.

Chapter Five analyzes preferable expectations of consumers as to outcomes in the complaint process.

Chapter Six presents the summary and conclusions to the study; a diagrammatic delineation of the complaint process is discussed; hypotheses are developed; and suggestions for future research are offered.

CHAPTER II

A REVIEW OF LITERATURE RELEVANT TO CONSUMER PREFERENCES AND EXPECTATIONS IN THE COMPLAINT PROCESS

The purpose of this chapter is to review literature that is relevant to a determination of consumer preferences and expectations in the complaint process. The chapter is designed to present evidence illustrating the need for an exploratory study of consumer preferences and expectations in the complaint process.

One of the basic justifications for this study is lack of research into the area. This fact will be established in the review of literature that is to follow.

The review begins with a look at the rise of consumerism.

The Rise of Consumerism

Stanton says that "any itemization of the conditions which have fostered modern day consumerism can be summed up in this single observation: Consumers are frustrated, dissatisfied, and indignant because of unfulfilled promise, unrealized expectations, and unstated dangers in the products and services they have purchased."¹ He goes

¹William J. Stanton, Fundamentals of Marketing, 3rd edition (New York: McGraw-Hill Book Co., Inc.), 1971, p. 658.

further to say that the rise of consumerism has been fostered by:

1. Lack of adequate information which complicates the buying task and prevents consumers from buying intelligently.
2. Instances of poor product quality, backed up by confusing and virtually worthless warranties.
3. Poor service provided by many manufacturers and middlemen.
4. The marketing of dangerous products without sufficient warnings of the possible harm.²

Buskirk and Roethe attribute the rise of consumerism to five particular catalysts. These catalysts are:³

1. Increased leisure time, rising incomes, higher educational levels and general affluence.
2. Inflation has made purchase behavior even more difficult. Rising prices have led consumers to increased quality expectations which are not achieved; thus again contributing to the frustration of consumers.
3. Unemployment has been low. Therefore, the marginal laborer has been employed even though he has fewer skills. Such workers reduce output quality.
4. Demands for product improvement have led to increased product complexity.
5. The popular success achieved by individuals such as Ralph Nader in his crusade for consumerism.

The rise of consumerism bears a close relationship to the rise of complaints. Since it has been established

²Ibid., p. 658.

³Richard H. Buskirk and James T. Roethe, "Consumerism: An Interpretation," Journal of Marketing XXXIII (July, 1969), p. 63.

that today's consumer is discontented and frustrated, it is logical that the propensity to complain is greater now than ever before in history, because much of the dialogue which has characterized the evolution of consumerism over the past decade and a half has centered around consumer dispute resolution. And with the rise of consumerism, consumer preferences in complaint handling have been largely determined by others.

Consumer Preferences in Complaint Handling
as Determined by Others

Governmental involvement on behalf of the consumer dates back to March 15, 1962, when President John F. Kennedy stated the four inherent rights of consumers in a special "consumer interest" message to the 87th Congress. These rights are as follows:⁴

1. The right to safety -- to be protected against the marketing of goods which are hazardous to health or life.
2. The right to be informed -- to be protected against fraudulent, deceitful, or grossly misleading information, advertising, labeling, and other practices, and to be given the facts needed to make an informed choice.
3. The right to choose -- to be assured wherever possible, access to a variety of products and services at competitive prices, and in those industries in which competition is not workable and government regulation is substituted, assurance of satisfying quality and service at fair prices.

⁴"Kennedy Recommends Consumer Protection," Congressional Quarterly Almanac XVIII (1962), 890.

4. The right to be heard -- to be assured that consumer interests will receive full and sympathetic consideration in the formulation of government policy, and fair and expeditious treatment in its administrative tribunals.

The consideration of these rights is relevant to this research because it reflects governmental concern for consumer protection and welfare, and the complaint process itself is a means through which consumers try to achieve these rights.

Governmental concern in determining consumer needs and wants did not stop with President Kennedy. The same concern continued through the Johnson administration.

And more recently, on August 5, 1971, President Richard M. Nixon said:

In recent months I have been gratified by the increasing desire of the business community to take a more active role in meeting the concerns of the American consumer. These businessmen recognize that the concerns are widespread and often spring from valid complaints. They also share my belief that neither the government nor the consumer movement can alone solve these problems, but that we must also rely upon the traditional goodwill and sound practices of the business community. Because of this growing interest, I have created the National Business Council for Consumer Affairs.⁵

The National Business Council for Consumer Affairs was a body comprised of over 100 corporate executives that represented a wide cross-section of American business.

⁵"Responsive Approaches to Consumer Complaints and Remedies," National Business Council for Consumer Affairs, Sub-council on Complaints and Remedies, U.S. Department of Commerce, Washington, D.C., (October, 1972), p. 1.

The Council furnished advice to the President, the Office of Consumer Affairs, the Federal Trade Commission, the Department of Justice, and other government agencies.

The primary mission of the NBCCA was to encourage positive action programs by industry to help anticipate and resolve consumer problems. To accomplish this, the Council's members are assigned to seven issue-oriented sub-councils which cover advertising and promotion, packaging and labeling, warranties and guarantees, credit and related terms of sale, performance and service, product safety, and complaints and remedies.

Since this statement was made by former President Nixon, this council has tackled the twin objectives of promoting greater responsiveness in the handling of complaints, and of facilitating mutually satisfactory resolutions of buyer-seller disputes.

The council has made the following recommendations in regard to complaint handling procedures:

Recommendation 1

That the handling of consumer complaints should be swift, personalized, courteous, and as effectively managed as any other function of prime importance to the company, involving and including increased personnel training in the handling of consumer communications, complaint follow-up, and appropriate involvement by senior management.

Recommendation 2

The money back policy should be fully explored by companies not now offering it, and should be adopted wherever feasible as a means to resolve directly disputes with consumers.

Recommendation 3

Where refunds are not a practicable course of action, the feasibility of third party complaint settlement procedures such as mediation and arbitration should be considered by sellers as an alternative form of redress.⁶

In addition to the above recommendations, the Council has developed six model guides to effective complaint management. These guides as suggested by the Council are stated as follows:

1. Consumer complaints should be coordinated by specialists within each company.
2. Management should provide adequate training to all personnel in direct public contact concerning the accepted techniques and procedures for handling consumer complaints and other communications.
3. For items of large initial consumer cost, complaint dispositions should be audited to assure that satisfaction has in fact been given.
4. Senior management should regularly review the volume, nature and disposition of consumer complaints. This review should specifically include samples of actual complaints and some personal contact with consumers with grievances.
5. Trend analysis and other summaries of complaint data should be developed periodically in order to identify emergency problems and opportunities for improvement.
6. Consumers should be provided with information regarding available channels of redress, either at the point of purchase or on the package, in use instructions, or in other literature accompanying the product or service.⁷

⁶Ibid., p. iv.

⁷Ibid., p. 6.

Aaker and Day in a recent Harvard Business Review article state the need for new or expanded consumer affairs departments. The four functions of this department are:

1. To receive customer complaints and problems and to have sufficient authority to solve them -- if necessary by overriding the desires of operating groups. Such effort would be close to the concept of the ombudsman, representing the individual complainant against the organization.
2. To develop and operate an information system with the dual functions of (a) monitoring the extent to which product-class buyers and users are satisfied with each element of the marketing programs of the company and its major competitors, and (b) detecting and predicting areas of basic consumer discontent that may possibly have a negative impact on the company or to which the organization may be uniquely qualified to respond.
3. To be a representative and advocate of the consumer interest during the policy making process.
4. To contribute to the corporate social objectives, programs to implement those objectives, and operational measures by which the programs can be evaluated.⁸

The marketing concept itself can also serve as a convenient rationale for avoiding responsibility. This rationale is related to the ideological issue of whether marketers should lead or respond.

Robert Moran has noted:

"... Marketers perceive their role, or at least claim it to be, as responding to customer wants, habits, interests, and abilities. They resist what they feel is a new role their critic would

⁸ David A. Aaker and George S. Day, "Corporate Responses to Consumerism Pressures," Harvard Business Review, Vol. 50 (November, 1972), p. 117.

have them perform -- namely that of confronting consumers with products and policies designed to give the consumer what they believe he needs or should want.⁹

For this reason, there has been great resistance to the "paternalism" aspect of consumerism that encompasses the protection of consumers against themselves, or more simply, giving consumers what they need rather than what they want. There are encouraging signs that this resistance by industry is lessening, especially in the area of product labeling and performance claims.

Aaker and Day point out that one of the major responsibilities of trade associations is to provide leadership in the area of complaint handling.¹⁰ In an effort to forestall the irate consumer from turning first to government, many industries have established their own hearing boards for processing complaints. One such arrangement has met with significant success in this area, and it is known as MACAP (Major Appliance Consumer Action Panel). MACAP is an independent consumer organization established by the Association of Home Appliance Manufacturers, the Gas Appliance Manufacturing Association, and the American Retail Federation. One of MACAP's primary functions is

⁹Robert Moran, "Formulating Public Policy on Consumer Issues: Some Preliminary Findings," Marketing Science Institute, (Cambridge, Mass., 1971), p. 5.

¹⁰Aaker and Day, op. cit., p. 121.

to review complaints. MACAP reports that they close nearly 60% of all complaints registered with them satisfactorily. Another trade association for a similar purpose is the Mobile Home Consumer Affairs Council who handles grievances of mobile home buyers. To date the association has faired very well in solving consumer complaints.

Also many individual business firms have developed positive response programs to ward off discontented consumers, and these relate to five areas of marketing. The first group of actions involves better communication with consumers. Many of the consumer's complaints can be summed up as failure to recognize the consumer's "right to be heard."

Consumers often are frustrated simply because they cannot get anyone in the huge, impersonal, remote corporation to listen to them when they need some information, the product needs repairing or something else goes wrong. The individual consumer needs to be able to communicate with, and be answered by a company.

Many business firms have responded positively to this need in a variety of ways. Whirlpool Corporation established a 24 hour "cool line" which enables customers to call free of charge from anywhere in the country to register a complaint, ask about service, or get product-usage information. Avis and Chrysler Corporation set up systems similar to this. Other firms such as Scott Lawn Products,

Pan Am Airways, Nabisco, Johnson and Johnson, and Pillsbury have speeded up and improved their responses to consumers' written inquiries or complaints.

The second positive response by business firms is to offer more and better information to consumers. Point-of-sale information has been improved by many firms. More manufacturers are publishing instructional booklets on the use and care of their products. Labeling is more informative than in the past. Many supermarkets, even where not required to do so by law, have instituted unit pricing.

A third area of positive response by business firms has been in the area of product improvements. Many companies have introduced product safety changes and pollution reduction measures. Warranties have been simplified and strengthened. Nutritional elements have been added to some foods, and lead removed from some gasolines.

A fourth area of positive response by many business firms has been in the area of advertising. Many advertisers are more cautious in approving agency-prepared ads. Also many advertisers are involving their legal departments in the approval process. The advertising industry, especially through the National Advertising Division (of the Council of Better Business Bureaus) and the National Advertising Review Board, is doing a more effective self-regulation job than ever before. Advertisers are urged to tell it like it is and cool the type of promotion which leads to

exaggerated, and subsequently unrealized expectations.

Finally, many firms are exerting pressure on offenders or rewarding excellence in compliance. For example, Allstate Insurance Company offered premium discounts on cars that met certain safety standards. Some retailers refuse to handle products that are deceptively advertised or priced. Other retailers have rewarded ecologically desirable products with good shelf locations and in-store promotion.¹¹

Many business firms either are making or have made organizational changes to implement their response programs. Most of these moves have been to establish an ombudsman position -- sometimes a high level executive and sometimes a separate department of consumer affairs. The responsibilities of this department typically are (1) to serve as a listening post for consumer inquiries and complaints, and to see that they are answered, (2) to represent the consumers' interest when policies and programs are being formulated, and (3) to insure that the firm maintains the necessary degree of societal orientation in its planning.

The ombudsman position or department should be an independent unit, which would report preferably to the chief executive. Placing a consumers affairs department

¹¹William J. Stanton, Fundamentals of Marketing, 4th edition (New York: McGraw-Hill Book Co., Inc.), 1975, pp. 682-683.

in the marketing department could be a mistake, because when profit or competitive crises arise, marketing executives too often are short-run oriented and do not place the consumers interest foremost in their decision making.¹²

The Alliance for Consumer Protection feels as though it has determined quite well what consumers prefer, and expect in complaint handling. The AFCP is a private, independent organization of consumers aiding other consumers against the collective strength of businessmen. This organization operates nationally. Regardless of the type of complaint a consumer may have, the AFCP (Alliance for Consumer Protection) leads one to believe that they can solve it. The AFCP says they can:

1. Educate the consumer;
2. Investigate and resolve consumer grievances;
3. Coordinate available consumer resources;
4. Maintain a consumer information center.

Much of the action described above has been an attempt at industry self-regulation. But there are many problems inherent in this type of arrangement. Aaker and Day state that,¹³

1. The industry members simply fail to see that there is an injustice in practice and hence do not take any regulatory action.
2. The quality of the decision making and leadership of the association is frequently weakened by the need for concensus among a majority of

¹²Ibid., p. 684.

¹³Aaker and Day, op. cit., pp. 122-23.

members.

3. Virtually every industry or trade association is accused of, and complains of, having inadequate resources to carry out its responsibilities.
4. Some problems may go beyond the scope of responsibility that the industry is willing or able to accept.

Richard H. Holton states that what consumers need in many markets is a more adequate information system. Holton further stated that:

Consumers may complain that not enough information is available, while the businessman complains in turn that consumers don't use the information already at hand. This suggests that the consumer finds the increased cost of search relatively high, as he expends it among competing sellers, compared with the yield of additional information that the increased search provides. If the information system were more efficient, the increased search would yield more knowledge, and consumers would make fewer purchase errors. Much of the government regulation... can be viewed as attempts to improve the efficiency of the information system available to consumers, to improve productivity, so to speak, of the process of consumer search. The quality of the public discussion of "consumerism" would be enhanced if the problems of consumer markets were seen in this light.¹⁴

The Senate of the United States just recently introduced a bill which reflects further involvement on the part of the federal government to determine the preferences of consumers. This bill (S. 2928) was introduced by Senators Magnuson, Moss, Tunney, and Kennedy, and is entitled the "Consumer Controversies Resolution Act."¹⁵

¹⁴ Richard H. Holton, Foreward to Consumerism: Search for the Consumer Interest, edited by David A. Aaker and George S. Day, (New York: The Free Press), p. xxi.

¹⁵ S. 2928, 92nd Congress, 2nd session, (1974).

The purpose of this bill is to establish national goals for the effective, fair, inexpensive, and expeditious resolution of controversies involving consumers and for other purposes.

The bill states that for the majority of American consumers, mechanisms for the resolution of controversies involving consumers are unavailable, ineffective, unfair, or invisible. It is unknown at this writing whether the bill will be enacted, but if it is, it will perhaps become a milestone in helping consumers determine means of redress in a given situation and the proper mechanism to be used in that situation. Currently 18 major business, consumer, and governmental organizations now support this act. And the bill has been favorably received by several subcommittees within the Senate, but it has not received full passage by the Senate to date.¹⁶

In March, 1974, the House voted 293 to 94 to set up a new federal agency to battle for the consumer viewpoint further in Washington. This agency is known as the Consumer Protection Agency or (C.P.A.). The agency does not have any regulatory powers of its own. Rather, it will work "informally" with other existent agencies such as the Interstate Commerce Commission, Federal Power Commission,

¹⁶"The Consumer Controversies Resolution Act (S. 2928), Congressional Record-Senate (November, 1974), pp. 19571-19573.

and other agencies arguing in the consumer's interest. The House voted to give the agency the power to check on consumer complaints by sending out questionnaires for accused businesses to answer, but only after the forms had been approved by such existing agencies as the Federal Trade Commission.¹⁷

Unfortunately, Senate sponsors of this bill (Consumer Protection Agency) said September 24, 1974, that after four futile attempts to cut off an opposition filibuster, the legislation was dead for the current session of Congress. The fourth cloture vote on September 19, 1974, had fallen only two votes short of the two-thirds majority needed to cut off debate (64 to 34). The sponsors considered the possibility of calling for an unprecedented fifth vote but eventually decided against it. The earlier votes had been on July 30th (56 to 42), August 1st (59 to 39), and August 20th (59 to 35). Senator Sam J. Irvin (Democrat from North Carolina), a leader of the filibuster said that the concept of the agency was "repugnant to the free enterprise system and would throw monkey wrenches into government machinery."¹⁸

¹⁷"Agency to Guard Consumer Rights Voted by House," The Wall Street Journal, (April 4, 1974), p. 6.

¹⁸"Senate Filibuster Kills Consumer Bill," Facts on File, (September 28, 1974), p. 790.

On May 14, 1975, the Senate voted to end debate on the creation of the Consumer Protection Agency. The vote was 71 to 27 to halt the kind of filibuster that killed the proposed Agency for Consumer Advocacy in 1974. The Senate then passed the bill. A House committee approved a similar but not identical bill in July but full House action has not yet taken place. If the House approves the bill, it still faces two hurdles: (1) a House-Senate conference and (2) the President's signature.

The Relationship of Decision Making Processes to Complaint Processes

A review of decision making literature indicates that there are three basic approaches to study decision processes. These approaches are:¹⁹

1. The Distributive Approach,
2. The Morphological Approach,
3. The Analytical Approach.

The distributive approach focuses on the behavioral outcomes of a decision, and the morphological approach describes the way a decision is made. The analytical approach is similar to the morphological approach except for the fact that it assesses the impact of various inputs on purchases. The latter two approaches are very similar and may be referred to jointly as the decision process

¹⁹Roger D. Blackwell, James F. Engel, and David T. Kollat, Consumer Behavior, 2nd edition (New York: Holt Rinehart and Winston), 1973, p. 45.

approach.

A decision-process formulation consists of five processes linked in a sequence. These processes are: (1) problem recognition, (2) alternative evaluation -- internal search, (3) alternative evaluation -- external search, (4) purchase, and (5) outcomes. Thus, the decision-process approach attempts to describe the behavioral processes that intervene from the stage at which consumers recognize that some decision is necessary to the point at which there is post-purchase evaluation of an alternative and its attributes.

There are three qualifications that need to be made in regard to the five linked processes previously mentioned. First, the consumer is unaware that he passes through these phases. Secondly, this process has some time dimension. Thirdly, all phases do not always occur.

Two major advantages are realized through the decision-process approach as opposed to the distributive approach. First, it views behavior as a process rather than a discreet act. Secondly, this approach provides more information for marketing decision making.²⁰

This research is most concerned with the outcome phase in the decision-process approach, because it is this phase that is possibly linked to the complaint pro-

²⁰Ibid., p. 47.

cess. In the outcome phase of the decision-process approach the consumer experiences post-purchase evaluation after a purchase is made. During the post-purchase evaluation stage a consumer may experience dissonance or satisfaction. The dissonance phase is directly related to this research because it is assumed that many complaints arise as a result of consumer dissonance. At this point consumer dissonance connotes a state of consumer dissatisfaction. In addition, however, post decision dissonance may involve a reevaluation of attributes foregone or it may involve a search for further information.

Complaint processes differ with the complexity of the consumer decision making process. Four variables determine the type of decision process a consumer uses at a given point in time. These variables are: (1) situational characteristics, (2) product characteristics, (3) consumer characteristics, and (4) environmental characteristics.

Complaint rates may be caused by many factors, but it is difficult to find material dealing with the issue. Some of the possible factors which influence the rate of complaints are the economic climate, the temperament of individual consumers, the seriousness of the product defect as viewed by the consumer, and the value of the product.²¹

²¹ Joseph M. Juran, Quality Control Handbook (New York: McGraw-Hill Book Co., Inc.), 1962, p. 12-13.

If the economic climate happens to be a buyer's market, the consumer is more likely to complain whereas in a seller's market or in a wartime economy he cannot be as demanding. Differences found in the temperament of an individual helps explain the situation in which the same product has generated complaints from some consumers but not from others. The third factor, which is the seriousness of the product defect as viewed by the consumer, is illustrated by the fact that premiums which are very important to children often cause more complaints to breakfast food manufacturers than does the cereal, even though the value of the premiums is quite small.²²

The effect of unit price on complaint rates is not precisely known. It is logical to assume that the complaint rate and unit price vary directly. The following quote sheds some light on the matter:²³

Available data on complaint rate suggest strongly that unit price of the product may be the largest single factor in determining complaint rates. For example, a company making shotgun shells proof-fires a sample of the product. From this proof-firing, it is determined what is the rate of misfires or "squibs." The company also receives some field complaints about squibs. It is found that the number of squibs in the outgoing product is about fifty times the number of squibs complained about. Hence for this product (priced at 10 cents) the ratio of complaints to serious defects is 2 percent.

In like manner it was found that for razor

²²Ibid., p. 12-14.

²³Ibid., p. 12-14.

blades (selling at about 3 cents) the rate of complaints to serious defects is under 1 percent.

Ratios on some other products have been found to be as follows:

	Price	Rate of complaints to serious defects
An article of clothing	about \$5	about 10%
A small electrical appliance	about \$30	about 25%
A large electrical appliance	about \$200	about 50%
A motor vehicle	about \$2000	about 70%
A large engineered facility	about \$50,000	about 100%

The base upon which the percentages in the Juran study were calculated is "serious defects" as would be determined by factory inspection whether or not such inspection actually occurred. The method of research is not discussed by Juran.

This research study emphasized the latter two criteria that determine complaint rates which are product type and seriousness of the defect as viewed by the consumer. In view of the objectives of the research, this made it possible to analyze the data for two major elements of objective one. One was the product type as an influence on the propensity to complain in certain ways. The second was the type of complaint as perceived by the consumer.

Thus, it has been shown that complaint processes vary with the complexity of the decision making process for a consumer. Factors that determine complaint rates have been cited, and this research will emphasize the type of product and type of complaint as perceived by the consumer

as major determinants of complaints.

Another relationship exists which is relevant to this research, and that is the relationship between the marketing concept and complaint processes.

Complaint Processes and the Marketing Concept

In the 20th century there have been three phases of American managerial orientation: (1) production, 1900-1930; (2) sales, 1930-1950; (3) marketing concept, 1950 to present. Since the early 1950's the marketing concept has been viewed as a basic business philosophy. Various academicians and practitioners of marketing have defined the marketing concept in a similar way. Victor P. Buell says: "they all come down to the fact that a business, if it is to grow profitable, must be oriented toward fulfilling the needs and wants of its potential customers more efficiently than do its competitors."²⁴ Although complaint-handling bodies are non-profit organizations, the marketing concept may still apply to them in their day to day business activities.

Kotler and Levy contend that marketing is a pervasive societal activity that goes considerably beyond the selling of toothpaste, soap, and steel. They argue that the modern

²⁴Victor P. Buell, Marketing Management in Action. (New York: McGraw-Hill Book Co., 1966), p. 20.

marketing concept is applicable to profit and non-profit organizations, because all organizations must develop products to serve their sundry consuming groups, and they must use modern tools of communication to reach their consuming publics. Marketing, according to Kotler and Levy, provides a useful set of complete tools for guiding all organizations.

The choice that faces those who manage non-business organizations is not whether to market or not to market, because no organization can avoid marketing. The choice is whether it will be done well or poorly.²⁵

Opposing Marketing Views of the Consumer

In the literature there are two opposing views of the consumer. One view tends to regard the consumer as a pawn who is skillfully manipulated by Madison Avenue. The net effect of this view is that consumers are no longer rational decision makers in the marketplace; rather they have become puppets dancing to the tunes of marketing and motivation researchers.

A contrasting view is known as consumer sovereignty. This view tends to be weaker in the public mind, because it is based on the premise of serving and satisfying needs. And, unfortunately, in the process of evolving, many

²⁵Philip Kotler and Sidney J. Levy, "Broadening the Concept of Marketing," Journal of Marketing 33 (January, 1969), p. 10.

organizations (profit and non-profit) lose sight of their original mandate; they grow hard and tend to become self-serving. As this happens service orientation is replaced by bureaucratic orientation. In view of the apparent limitations of consumer sovereignty, many consumer advocates have felt that it was inevitable that many discontented consumers would begin taking positive action to regain their relative power position in the market vis-a-vis business and government. Therefore, consumer dissatisfaction has been one of the basic catalytic agents that has given thrust to consumerism. And with this increased dissatisfaction among consumers has come a greater compensity to complain. The Random House Dictionary says that: "Dissatisfaction results from contemplating what falls short of one's wishes or expectations and is usually only temporary."

Buskirk and Roethe state that: "It is this sense of frustration and bitterness on the part of consumers who have been promised much and realized less, that may be properly called the driving force behind consumerism."²⁶ There is an apparent gap between promise and performance, and this performance gap must be closed. It is only a matter of who is going to do the closing.

²⁶Richard H. Buskirk and James T. Roethe, "Consumerism: An Interpretation," Journal of Marketing 34 (October, 1970), pp. 61-65.

The Void in Marketing Textbooks on Complaints

Even with the rise of the consumerism movement, introductory or principles of marketing textbooks are almost void of any discussion of complaints from consumers. The leading principles texts (McCarthy and Stanton)²⁷ make little or no mention of complaints or the complaint process. This absence may be explained by the type of approach taken to marketing by an author. Or it may be explained by the fact that too many other areas of marketing are more important, so there is little or no room left for a discussion of complaints. Very few marketing management texts make any mention of complaints. If any mention is made about complaints in marketing management texts, it is usually intertwined with a discussion of consumerism.

Some attention is given to complaints in retailing textbooks.²⁸ The attention devoted to complaints is usually treated as a part of a discussion on customer

²⁷E. Jerome McCarthy, Basic Marketing: A Managerial Approach, 5th edition, (Homewood, Illinois: Richard D. Irwin, Inc., 1975); William J. Stanton, Fundamentals of Marketing, 4th edition, (New York: McGraw-Hill Book Co., Inc., 1975). Stanton's 4th edition briefly discusses complaints in Chapter 29 on pp. 675 and p. 681.

²⁸William R. Davidson and Alton F. Doody, Retailing Management, 3rd edition, (New York: Ronald Press Co., 1966), pp. 709-714; Delbert J. Duncan and Charles F. Phillips, Retailing: Principles and Methods, 7th edition, (Homewood, Illinois: Richard D. Irwin, Inc., 1967), pp. 601-605.

services. This discussion usually covers costs of handling complaints, policies of the company toward complaints, and procedures for handling complaints. Retailing texts devote a great deal of attention to complaint handling due to the closeness of the retailer to the consumer.

Sales management and salesmanship books quite often offer brief discussions on complaints.²⁹ The treatment is usually in regard to industrial buyers.

Marketing textbooks in other areas such as advertising, consumer behavior, and wholesaling are relatively void of any discussion of consumer complaints. This was determined after a review of the leading texts in these areas.

The bulk of the literature available on complaints is found in the periodical literature. The treatment of complaints in the literature tends to be public relations oriented. (This orientation views complaints as an area of public relations or customer relations in which the company must say and do certain things to maintain the goodwill of the customer who is complaining.) Two other approaches to complaints are discussed in the literature. These are the nuisance approach and the marketing management

²⁹ Joe Kent Kirby, Essentials of Marketing Management (New Rochelle, N.Y.: Southwestern Publishing Co., 1970), pp. 229-230; Ferdinand F. Mauser, Modern Marketing Management: An Integrated Approach (New York: McGraw-Hill Book Co., 1961), p. 53; Charles A. Kirkpatrick, Salesmanship, 5th edition (New Rochelle, N.Y.: Southwestern Publishing Co., 1971), pp. 366-368; Alfred Gross, Salesmanship, 2nd edition (New York: Ronald Press Co., 1959), pp. 74-76, 474, 444-445.

approach. The nuisance approach tends to view complaints as a necessary evil of doing business. The marketing management approach integrates the two approaches mentioned above, but it recognizes that consumer complaints are a form of marketing intelligence.³⁰

The sparse literature available on consumer preferences and expectations of complaint processes indicates the need for the present research.

A discussion has been presented about the void in marketing textbooks on complaints, but equally important is a discussion of the continuum of consumer action expectations.

Action Expectations of Consumers

The expectations of consumers from parties who handle complaints can cover a rather broad gamut. Some of the possible action expectations could be as follows:

1. Money back
2. Replacement of good
3. Legal action
4. Arbitration
5. Mediation of some sort
6. Honest try by third party intervenor
7. Persuasion against seller
8. An explanation of their rights as consumers
9. A referral to someone.

³⁰W. H. Brannen, Marketing Intelligence Applications of Unsolicited Consumer Complaint Information for Large Corporations: A Study of the Major Household Appliance Industry, D.B.A. dissertation, Michigan State University, 1966, p. 18.

Or a consumer may expect:

1. Sympathy
2. Empathy
3. An explanation of their mistake
4. Absolution
5. A lot of noise to be made in their behalf
6. A personal letter from a famous person
7. Assurance that they are right
8. Assurance that they were not fools
9. A check in the mail
10. Satisfaction that they did all that was possible even if hopeless
11. Protection of future consumers (Altruism)

These lists are not exhaustive, but they do cover many possible action expectations of consumers from parties to whom they may complain.

Many people in our society feel that American business is doing a better job for consumers now than ever before. If this is true, why do we have so many complaints against products and rising demand for consumer protection legislation?

One writer attributes the growing irritation of consumers to the slightest flaw to the "phenomenon of rising expectations."³¹ With wealthier, younger, better educated, and more sophisticated consumers entering the market, these consumers seem to be less tolerant of promises made about product performance and actual product performance. The problem here is the differences found between what they are told and what they see.

³¹"Why Detroit is Wary of the 1970's," Business Week, 2088 (September 20, 1969), pp. 110-119.

Action expectations and rising expectations seem to go hand in hand. The remarkable space feats of the 1960's and 1970's has been another factor contributing to rising expectations. Sputnik provided a dramatic awakening of people to the immense possibilities for scientific achievements. As a result of this feat, Americans became more impatient in dealing with problems. If we have the technology to put a man on the moon, why is it that we cannot find a cure for dread diseases, eliminate pollution and poverty, and make products that do not fail?

The consumer of the present and future expects more information about the products and services he buys. He places more emphasis now on product performance, quality, and safety.

History has shown that expectations steadily rise. Practices and performances which are acceptable today will gradually be viewed as unsatisfactory and be replaced by more demanding ones. It is impossible to predict expectations because they are infinitely elastic or contain a reflection of infinity which may be a yearning for the absolute.

The Role of Consumer Education in the Complaint Process

The need for consumer education and protection has become a paramount issue in the literature in the decade of the 1960's and 1970's. E. B. Weiss has attributed

consumer unrest to increasing education and sophistication.³² However, this education and sophistication process has evolved over a long period of time. Consumer unrest was prevalent in the early 1900's, in the decade of the 1930's, and in the decade of the 1960's and 1970's.

Robert O. Hermann has developed an interesting typology which characterizes many who make up the consumerism movement today. The three types of consumer advocates that comprise Hermann's typology are:³³

1. The Adaptationists, who emphasize educating the consumer to avoid fraud and deception and seek to prepare him to deal with the market as it is. This group sees little need for consumer protection legislation and gets along comfortably with consumer service specialists in industry, and business and trade association representatives. Many consumer educators fall into this category.
2. The Protectionists, whose primary concern is with health and safety issues involving the possibility of physical harm to the individual. This group includes scientists, physicians, nutritionists, and other professionals.
3. The Reformers, who like the adaptationists want to improve consumer education and who like the protectionists want to insure the individual's health and safety, and who, moreover, seek to increase the consumer's voice in government and the amount of product information available to him. This group consists chiefly of political liberals with a variety of professional affiliations.

"With all the individuals and groups who have taken

³²E. B. Weiss, A Critique of Consumerism (New York: Doyle Bernbach, Inc., 1967), p. 8.

³³Robert O. Hermann, "Consumerism: Its Goals, Organizations, and Future," Journal of Marketing, 34 (October, 1970), p. 57.

on the responsibility of protecting and educating today's consumer, the consumer is treated unspecially -- he is unrepresented, overcharged, neglected, and stomped upon by an unholy alliance of special interest groups working primarily through government. The winking eye of government agencies as well as direct cooperation of federal, state, and local officials with special interests certainly makes consumers very unspecial."³⁴ This quote seems to reflect the idea that even though we have groups and individuals that try to protect and educate today's consumer, the role that such groups play is limited. Consumers have to recognize that many of their problems are partly their own fault and they must decide to do something about them -- often times nobody is going to solve their problems for them.

Unfortunately, consumer education today implies self-education. That is to say, educating one's self to see the marketplace for what and as it really is. This self-educational process must be a continuous effort on the part of each consumer. If we choose not to educate ourselves in the marketplace, we will learn some ultra-expensive lessons in life as a consumer. The consumer advocates can help in

³⁴Lee Richardson, "Consumer Protection: The Private Role," an address at the Public Affairs Seminar on Consumer Protection at Louisiana State University at New Orleans, (February 4, 1971), p. 1.

some small way to educate us, but the role these groups can perform is limited.

Many problems faced in the marketplace as consumers involve items that do not cost a great deal of money. But the purchase of items whose cost is low can add up to many dollars over a period of time. Therefore, the accumulated impact of millions of consumers individually fighting for their rights is bound to influence business practice.

Marketplace conditions which make buying rationally essentially also make it difficult. So one good rule to follow in becoming a more knowledgeable consumer is to buy as rationally as you can and encourage others to do so. Buying rationally means becoming aware of common traps, following proven buying guidelines, and keeping up to date on changes in the marketplace and its regulation. For example, an educated consumer is aware of the following common traps that prevail in home repair and modernization services:³⁵

1. The model home scheme -- for example, the purchase of aluminum siding
2. Fast talking bogus itinerant repairmen
3. Referral selling
4. Exaggerated claims
5. Phony papers.

³⁵Goody L. Solomon, The Radical Consumer's Handbook (New York: Ballantine Books, 1972), pp. 169-170.

To become a better educated consumer one should follow or adhere to the following guidelines.³⁶

1. Verify reputations and credentials of persons from whom you buy.
2. Compare estimates.
3. Know terms of warranties and service agreements.
4. When buying on credit:
 - a. ask yourself if you can afford it.
 - b. know the interest rate and interest charges.
5. Know what you want before you venture out to buy.
6. Do comparison shopping to be better informed as to available alternatives.
7. Keep well informed. A partial listing of informative sources is:
 - a. Changing Times
 - b. Consumer's Bulletin and Reports
 - c. Everybody's Money
 - d. Consumer Newsweek.

To sum up the need to become a knowledgeable consumer, Ralph Nader once told a Senate Committee:³⁷

The fact is that it is not an equal contest. And as long as we recognize... that the chief thrust forward in terms of the quality of our life is almost always associated with individual's speaking out... and see how laws can be improved, how the public's education can be improved so they will be aware of these problems, the effort will be a built-in check throughout the society... I think it is not only a matter of law, it is a matter of awareness of people and their sensitivities to the rights of individuals.

To become a knowledgeable consumer helps us to better understand what we prefer and expect of the marketplace in general and of complaint processes in particular.

³⁶Ibid., pp. 171-173.

³⁷Ibid., p. 174.

The Legal Aspects of the Complaint Process

Consumer protection laws are growing in number, coverage, and strength. And while there is no substitute for competent professional legal help, the more the consumer is aware of his rights under the law, the less chance he stands of being victimized. For this reason it is necessary, and important, to be familiar with at least some basic consumer protection laws. Following are some of these laws and the rights of consumers within each.

1. Truth in Labeling: Fabrics and Furs

The average person is no expert when it comes to fabrics and furs. He depends, as might be expected, on labels for information to guide his choice. Realizing this fact, stringent laws have been passed to guard against the consumer being duped by untruthful labeling. These laws, administered by the Federal Trade Commission, require that a label be attached to a fabric or fur at the time of purchase. This label must be printed in legible, unabbreviated English, must be where it can be found easily, and state the true facts about what the product is made of. On the same label or close to it must appear the name of the firm responsible for the label's truth, either his name or his code number as registered with the Federal Trade Commission.

2. Truth in Lending

The Truth in Lending Law is a milestone in the protection it affords the consumer against the possibility of credit deception.

All businesses and financial institutions dealing in consumer credit must conform to this law. The law basically is intended to give the consumer a plain statement of the charges involved in a transaction. It requires creditors to tell borrowers the cash price, down payment, total amount financed, annual interest rate, and total charges.

3. Credit Cards

No credit cards may be issued except to those who apply for one. Holders of credit cards are liable for the use of his credit card by some unauthorized person only up to \$50.00 and no more. The penalties for unauthorized use of credit cards are severe.

4. Fair Credit Reporting Act

Under this Act (which became effective April 25, 1971) the consumer has certain new rights. The Federal Trade Commission has created the Bureau of Consumer Protection to enforce the act.

A company which rejects a consumer's application for credit because of a bad credit bureau report must tell the consumer the name of that credit bureau on request. The consumer has the same right in the case of an insur-

ance company which rejects an application or an employer who rejects an employment application because of a bad credit bureau report.

If a consumer learns that a credit reporting bureau has hurt their credit, insurance or employment opportunities, he has the right to request the credit reporting bureau to disclose the nature of the information reported against him. Also to be disclosed on request are the names of any firms which received a consumer's credit record during the previous six months, and the names of persons who received a consumer's credit record for employment purposes during the previous two years.

5. Cooling-Off Periods

Placement of one's signature on any contract or agreement is a serious matter. Knowing that many consumers commit themselves to purchases under pressure, which they later regret, most states have provided for rescindment laws. These laws allow the consumer to cancel his purchase and to return the merchandise without incurring any loss.

The following states have recindment laws and a specified period during which the consumer may change his mind.³⁸

³⁸"Consumer Credit Guide," Commerce Clearing House, New York (October 22, 1974), Nos. 4450 and 4690.

Alabama -- 3 days	Missouri -- 3 days
Alaska -- 3 days	Montana -- 3 days
Arizona -- 3 days	Nebraska -- 3 days
Arkansas -- 3 days	Nevada -- 3 days
California -- 3 days	New Hampshire -- 3 days
Colorado -- 3 days	New Jersey -- 3 days
Connecticut -- 3 days	New Mexico -- 2 days
Delaware -- 3 days	New York -- 3 days
District of	North Dakota -- 3 days
Columbia -- 3 days	Ohio -- 3 days
Florida -- 3 days	Oklahoma -- 3 days
Georgia -- 3 days	Oregon -- 3 days
Hawaii -- 3 days	Pennsylvania -- 2 days
Idaho -- 3 days	Puerto Rico -- 3 days
Illinois -- 3 days	Rhode Island -- 3 days
Indiana -- 3 days	South Carolina -- 3 days
Iowa -- 3 days	South Dakota -- 3 days
Kansas -- 3 days	Tennessee -- 3 days
Kentucky -- 3 days	Texas -- 3 days
Louisiana -- 3 days	Utah -- 3 days
Maine -- 3 days	Vermont -- 3 days
Maryland -- 3 days	Virginia -- 3 days
Massachusetts -- 3 days	Washington -- 3 days
Michigan -- 3 days	West Virginia -- 3 days
Minnesota -- 3 days	Wisconsin -- 3 days
Mississippi -- 3 days	Wyoming -- 3 days
North Carolina -- 3 days	

6. Household Moving (Interstate or Foreign)

New Interstate Commerce Commission rules of interstate or foreign moving favor the consumer. If you are moving to a new state or out of the United States, you now have the following rights:

- Right to a price estimate based on mover's inspection of consumer's household goods;
- Right to demand and receive, at least 24 hours before moving day an "order for service" stating the estimated price and dates of pickup and delivery;
- Mover must notify the consumer and set a new moving date if there is any unforeseen delay;
- The right to expect the mover to come when promised. The mover may be fined up to \$500 for failure to do so;
- The right to witness the weighing of your shipment.

7. Unordered Merchandise

There are only two kinds of merchandise that can be sent through the mails legally to a person without his consent or agreement: free samples, clearly marked as such, and merchandise mailed by charitable organizations soliciting contributions.

In all other instances, it is illegal to send merchandise to a person unless he has order it or agreed to receive it.³⁹ Sometimes the only redress a consumer has in a conflict situation is to take his case to court. The courts are more favorable to consumers now, and doctrines which used to favor business have been reversed.

About half of the states have now adopted the "strict liability rule." That is, if a consumer is injured by a defective product, he may obtain compensation for his injuries without having to prove negligence on the manufacturer's part. What the consumer does have to prove is that the product was defective and caused him injury.

In addition, courts have almost entirely abandoned the rule that someone injured by a product could sue only the person from whom he bought it. For example, a person who loses an eye because of an exploding pop bottle can now sue the bottler, as well as the store where the item was

³⁹ Joseph Rosenbloom, Consumer Complaint Guide (New York: CGM Information Corporation, 1971), pp. 5-10.

purchased.

There are now three major remedies being sought which would enable better use of the law for consumer redress. The first remedy is to enhance the scope and expectations of small claims courts, thus permitting sizeable consumer cases to fall within this purview. Senator James Pearson has sponsored a bill providing financial assistance to states for establishing small claims courts on a uniform basis.

The second remedy being sought is to make class action suits uniformly legal within the 50 states as well as by federal statute. Class action suits are those in which similarly defrauded consumers would join together in one action against an offending manufacturer or seller. Many consumer advocates are seeking an unfettered right to bring class action suits against offenders.

The third remedy being sought is the educating and training of a new breed of attorney who is dedicated to justice in the marketplace, and who is expert in the statutes and interpretations especially applicable to buyer-seller disputes. In small numbers, such lawyers have begun to graduate from George Washington University, Boston College Law School, Antioch, and many others -- as well as from Ralph Nader's unique training ground. The influence of these attorneys has been visible and felt in several precedent-setting cases. A number of suits against re-

tail department stores found credit-account interest charges violating usury laws. In several states usury laws set the maximum interest rate allowable at 8 percent.

Goody L. Solomon sets forth in her book, The Radical Consumer's Handbook, certain tactics that the consumers may follow in using the law. These tactics are as follows:

1. Gather together all of your evidence: sales check, bills, warranty, correspondence and all other attempts to seek redress.
2. Try small claims court. An increasing number of consumers are succeeding there.
3. When you think you need a lawyer, but do not know one, go to a lawyer's referral service. They are sponsored by the local bar association and operate in almost all cities.
4. If necessary, go to a public interest law firm. These firms consider themselves the "representatives" of the unrepresented. Public interest law firms have been known to handle cases of individual consumers, but most of them prefer to handle class action suits or the individual case which show potential for setting precedents in the interest of all consumers.
5. Consider joining one of the new group plans which offer prepaid legal services, similar to prepaid health insurance plans. Sponsored by companies or unions, most prepaid legal insurance plans serve workers with incomes between \$7500 and \$15,000. The estimated cost to each member per year is \$30.
6. Try the legal aid society, especially if you cannot afford any legal fees.
7. Approach the local city, county, or state consumer organization. Some of these are setting up lawyers' committees to assist members individually and as a group.
8. Look for classes sponsored by the People's Law Institute, a non-profit organization financed largely by the Institute for Policy Studies.

People's Law Institute seeks to train non-lawyers in legal skills by means of a national network of courses on such subjects as landlord-tenant law, welfare law, and consumer law.

9. In your daily reading of current events, try to learn as much as possible about changes in consumer laws, a great many of which aim at simplifying the layman's job of learning his legal rights in the marketplace. With knowledge of the law, consumers not only use the law to better advantage, but also become aware of other needs for changes in consumer protection legislation.⁴⁰

Of recent date there has been expression of judicial concern over complaint mechanisms at the federal level. Justice Douglas's concurring opinion in Johnson v. Avery,⁴¹ in which the Supreme Court held that a state may not bar prison inmates from furnishing legal assistance to other inmates seeking federal habeas corpus unless it provides some reasonable alternative form of assistance for post-conviction redress, offers an interesting case in point. Justice Fortas's majority opinion stressed as "fundamental" to the importance of habeas corpus in our Constitutional scheme the proposition that "access of prisoners to the courts for purposes of presenting their complaints may not be denied or obstructed."⁴² Douglas joined in Fortas's

⁴⁰Goody L. Solomon, The Radical Consumer's Handbook (New York: Ballantine Books, 1972), pp. 138-140.

⁴¹Johnson v. Avery, vol. 393 United States (1969) p. 483.

⁴²Ibid., p. 485.

views on application of the "Great Writ" to presentation of prisoners' complaints to the courts and then "in emphasis of the important thesis of the case," Douglas enlarged upon the problems of consumer complaints generally;⁴³

The increasing complexities of our governmental apparatus both at the local and federal levels have made it difficult for a person to process a claim or even make a complaint. Social Security is a virtual maze; the hierarchy that governs urban housing is often so intricate that it takes an expert to know what agency has jurisdiction over a particular complaint; the office to call or official to see for noise abatement, for a broken sewer line, or a down tree is a mystery to many in our metropolitan areas.

A person who has a claim assertable in far away Washington, D.C. is even more helpless, as evident by the increasing tendency of constituents to rely on their Congressional delegation to identify, press, and process their claims.

If such remarks from the bench were dismissed as "dicta" and if belief in responsive government were to fail otherwise to elicit administrators' concerns over citizen complaints, the powers and prerogatives of Congressmen -- as Douglas noted -- can be put in motion by constituents to make the investigation of complaints a priority.

The principles of democratic governance have a great bearing on the complaint process. Although modern mass populaces do not and cannot live in "the never-never-land of perfect democracy" where all people participate in all decisions and have equal access to the organs of govern-

⁴³Ibid., p. 491.

ment and equal influences over governmental actions, a democratic system must provide its people with the instruments for holding government accountable to them and for making effective choices from among meaningful alternatives. The higher the visibility of decision making processes and the greater the opportunities for public access to these processes for the airing and redress of grievances, the closer the ensuing tie between democracy's claims and its day-to-day operations.

Responsiveness to citizens' needs by federal agencies can help otherwise alienated individuals to feel that they are participating in their government's decision making even when the substance of a particular grievance or complaint cannot be resolved to their satisfaction. It is at least as important to the implementation into practice of democratic theory that the average citizen have processes and mechanisms for redress readily accessible to him as that the substance of the redress satisfy him in any particular instance. No set of guidelines, rules, or principles can assure individual gratification over policy decisions; but the allocating of adequate skills, resources, and procedures to the handling of consumer complaints and grievances can assure accountable, responsive government sensitive to the needs and concerns of the ordinary American and entitled to his confidence and support.

The National Institute for Consumer Justice completed

a study in March, 1973, and has just published the recommendations of that study in a booklet entitled Redress of Consumer Grievances. The NICJ is an outgrowth of a speech President Nixon made on February 24, 1971, which called upon "interested private citizens to undertake a thorough study of the adequacy of existing procedures for the resolution of disputes arising out of consumer transactions." The NICJ began its work in the summer of 1971 and completed it in March, 1973. The NICJ was organized as a non-profit corporation in the District of Columbia and governed by a 16 member Board of Directors. The Institute's sole source of funds was a \$150,000 research grant from the Office of Economic Opportunity. From the outset the NICJ limited its study to problems that faced consumers who suffered economic loss by paying for defective or misrepresented goods or services.

The NICJ selected what it considered to be the four most important topics relating to dispute resolution. These are: Business Sponsored Mechanisms, Arbitration, Class Actions and Small Claims Courts. The specific recommendations of the NICJ in each area constitute the majority opinion of the 16 member Board of Directors. Now let us view briefly the treatment of the four areas mentioned above by the NICJ.

The first area studied by the NICJ was with regard to business sponsored mechanisms for the redress of consumer

grievances. In this area the NICJ made three recommendations. The first recommendation was that businesses adopt the recommendations of the National Business Council for Consumer Affairs (these recommendations are discussed on page 31 of the literature review). In addition, the NICJ recommended that:

1. Better Business Bureaus require their members to establish effective internal grievance procedures.
2. An independent evaluation be made of both internal and external business mechanisms for resolving consumer disputes. The researchers stated that they found themselves hard pressed to make recommendations in this area because of the absence of sufficient data.

The second area studied by the NICJ was with regard to arbitration. The NICJ defined arbitration as: the referral of a dispute to one or more impartial arbitrators for a final and binding decision. The main advantage to arbitration, according to the NICJ, is its flexibility. That is, cases can be processed quickly, efficiently, and with finality and with an eye towards doing justice. Three disadvantages are mentioned by the NICJ with regard to arbitration. These disadvantages are: (1) getting the parties to a dispute to agree to submit it to arbitration; (2) the cost of arbitration; (3) the ad hoc nature of arbitration results (that is, arbitration decisions form no precedent). The NICJ made five basic recommendations with regard to arbitration.

A third area studied by the NICJ was Small Claims

Courts. The NICJ points out that the small claims court movement began in the United States in 1912. Its goal was and still is to provide speedy and inexpensive justice for litigants who cannot afford a lawyer. The treatment of small claims courts by the NICJ was divided into two parts. First, they considered the quality of justice the small claims courts dispense, how their procedures can be made more fair, their decisions more just, and their operations more efficient. The second part deals with how to make small claims courts more readily available to potential plaintiffs. As a result of this two part treatment by the NICJ, twenty-two recommendations are offered with regard to small claims courts.

A last area of concern in this study by the NICJ pertained to consumer class action suits. A class action is a lawsuit in which a representative of a large number of people who have similar claims against the same defendant or defendants can sue on behalf of himself and others similarly situated. Class action suits are the most controversial of all the judicial remedies for consumer grievances. The NICJ tried to determine whether the benefits to be derived from class action suits will still exceed costs, and whether a system can be devised to discourage frivolous class action cases. Ten recommendations are offered

by the NICJ with regard to class action suits.⁴⁴

In all the NICJ offers forty recommendations with regard to the four areas previously discussed. This study is another step forward in finding means of redress for consumers with grievances.

The Chamber of Commerce of the United States just completed a study and has just published the recommendations of that study in a booklet entitled Fair Settlement of Just Claims: An Integrated Approach to Consumer Remedies. This study was begun in October, 1973, and was just completed.

The substance of the report suggests that a comprehensive and integrated system of redress mechanisms should be established which combines the best features of private and public-sector consumer remedies.

The summary recommendations from this study are:⁴⁵

1. The Chamber of Commerce of the United States supports consumer satisfaction as a major goal of every business-consumer transaction.
2. The consumer is entitled to redress whenever merchandise or services, properly used, do not live up to reasonable expectations or applicable warranties, have been misrepresented, cause injury, or when there has been unfair advantage taken of the consumer in the transaction.

⁴⁴The National Institute for Consumer Justice, Redress for Consumer Grievances, Washington, D.C. (March, 1973), pp. 1-38.

⁴⁵Chamber of Commerce of the United States, Fair Settlement of Just Claims: An Integrated Approach to Consumer Remedies, Washington, D.C., 1973, p. 17.

3. The consumer interest must be significantly considered in the operation and development of meaningful and credible redress procedures. Such procedures must be fair, expeditious, accessible, effective, dignified, and of minimal cost for the consumer. The availability to consumers of redress procedures should be well publicized.
4. Initially, the consumer should be, and in the vast majority of cases is, able to obtain redress action directly from the retailer, manufacturer, or offerer of services, as appropriate. When disputes cannot be resolved directly between the two parties, they should be handled to the fullest possible extent through the mediation or arbitration procedures of third-party complaint resolution services. Government intervention, if deemed necessary, should utilize or encourage such informal consumer redress procedures to the maximum extent possible. Where formal adjudication of individual claims is necessary, swift and non-complex judicial procedures, such as small claims courts, should be broadly available at the local level. Legal redress for harm caused by unlawful activities similarly affecting large numbers of individual consumers must be available under expeditious and effective procedures that do not depart from due process standards. Such redress mechanisms should be uniform among the states.

A review of literature relevant to this research has been presented. The conclusions to be drawn from this review are very important

Conclusions

As this review of the literature has indicated, there is a growing abundance of material available which deals with complaints in general. Most critical, of course, is the apparent lack of material available which deals with consumer preferences and expectations in the complaint process. This void indicates the need for the present

research. The following conclusions summarize the present state of the art of the literature for purposes of this research:

1. Complaints have received very little attention in marketing textbooks.
2. No studies exist or are available which indicate what consumers prefer and expect in the complaint process.
3. Consumer preferences have largely been assumed by others.
4. Action expectations of consumers from complaint handling bodies covers a broad gamut.
5. The need to become a more knowledgeable consumer is more acute now than ever before.
6. The "public relations approach" to complaint handling is still the most popular.
7. The consumer's voice has not been heard too extensively in the determination of his preferences and expectations in the complaint process.
8. A close relationship exists between the complexity of the decision making process and the complaint process.
9. The legal aspects in the complaint process should be considered as a form of redress for the consumer. Often times the legal aspects are to be considered after the consumer has exhausted all other possible means of obtaining satisfaction from parties to whom he has complained (e.g., manufacturer, retailer, public or private agencies, or some other sympathetic party). It is difficult to treat the legal aspects of the complaint process in general terms because one must consider three important points: the relationship of the buyer and seller, the type of product and amount of money involved in the transaction, and most importantly, the type of complaint.
10. Many business firms either have developed or are developing positive action programs to help counter consumer discontent.

11. The propensity to complain has increased with the rise of consumerism.

Chapter Three will present an analysis of types of problems that lead to a complaint.

CHAPTER III

AN ANALYSIS OF TYPES OF PROBLEMS THAT LEAD TO A COMPLAINT

The purpose of this chapter is to analyze the types of problems that lead to a complaint. Specifically, research question number one (What types of problems lead to a complaint) focuses on:

1. Product type
2. Type of complaint (hypothetical case problems posed to create a minor economic loss, major economic loss, health-safety problem, and an inconvenience problem.

The approach used will be a side-by-side analysis of cases that fall within a given category. For example, the first type of complaint, minor economic loss, will analyze convenience, shopping, and specialty goods side-by-side. The same procedure will be employed for other types of complaint categories which are major economic loss, health-safety problems, and inconvenience problems.

The analysis also focuses on the following questions:

1. Would you complain about this problem?
2. For what reasons would you choose not to complain about this problem?

All responses shown are stated in percentage form.

Minor Economic Loss

Three hypothetical case problems were posed to respondents for the minor economic loss category. The case problems corresponded closely to the traditional method of

classification used for consumer goods (convenience, shopping, and specialty).

The questions asked for each type of good were as follows:

1. Convenience -- If you bought a \$.39 can of beans at the grocery store, and later discovered the can only half full, what would you do?
2. Shopping -- If you bought an article of clothing from a retail department store (e.g., a blouse for a woman or a shirt for a man) and found a stain on the garment when you opened the package that cost \$2.00 to have professionally cleaned, what would you do?
3. Specialty -- If you bought a special type of camera that cost \$75, and the first time you used it the trigger that releases the shutter fell off, what would you do?

From the above questions a minor economic loss may be viewed as:

1. One in which the price paid for the good is low and the loss inconsequential (convenience good case).
2. One in which the price paid for the good is moderate, but additional expenses are necessary to correct the loss (shopping good case).
3. One in which the price paid for the good is high, but a minor malfunction with the product incurs a loss (specialty good case).

Table 1 shows nearly 65 percent of 194 respondents would choose to complain about the convenience good case (can of beans only half full), and 32 percent would choose not to complain. Two and a half percent of the 194 respondents gave a don't know answer to the question.

Table 2 shows only 68 of 194 respondents would choose not to complain about the convenience good (can of beans

only half full) problem. Of this 68, twenty-six percent reported that it was too much trouble to complain about the convenience good problem. Seven percent felt that nothing could be done for them in the convenience good case. Nearly 18 percent felt that their time was too valuable to complain about the convenience good problem. Nearly 59 percent of the 68 respondents felt that the convenience good problem was unworthy of a complaint.

Also Table 1 shows that 96 percent of 195 respondents would choose to complain about the shopping good (stain on garment) case, and 3 percent would choose not to complain.

Table 2 shows that only 7 of 195 respondents would choose not to complain about the shopping good (stain on garment) case. Of this number, nearly 29 percent felt that it was too much trouble to complain about the shopping good case. Nearly 29 percent of the respondents felt that they should have checked the garment more closely before purchasing it in the shopping good case. The seven respondents that would choose not to complain about the shopping good case is significant.

Further, Table 1 shows that 99 percent of 196 respondents would choose to complain about the specialty good (camera that loses trigger) case, and there were none that said they would not complain.

TABLE 1

RESPONSES TO THE QUESTION: WOULD YOU COMPLAIN
ABOUT PROBLEMS THAT MAY LEAD TO
MINOR ECONOMIC LOSSES?**

(in percent)

Response \ Type of Good	Convenience (Beans)	Shopping (Stain)	Specialty (Camera)
Yes	64.9	96.4	99.4
No	32.4	3.0	0.0
Don't Know	2.5	.5	.5
Total*	99.8	99.9	99.9
No. of Respondents	194	195	196
No. of Responses	194	195	196

*Totals do not add to 100 percent due to rounding; all percents are based on respondents shown.

**A demographic profile of responses to this question is in Appendix B.

TABLE 2

RESPONSES TO THE QUESTION: FOR WHAT REASONS WOULD
YOU CHOOSE NOT TO COMPLAIN ABOUT PROBLEMS THAT
MAY LEAD TO MINOR ECONOMIC LOSSES?

(in percent)

Response	Type of Good	Convenience (Beans)	Shopping (Stain)	Specialty (Camera)
Too much trouble		26.4	28.6	0.0
Nothing can be done		7.3	14.2	0.0
Time too valuable		17.6	0.0	0.0
Don't know how to complain		1.4	14.2	0.0
Don't know to whom to complain		1.4	0.0	0.0
Problem unworthy of complaint		58.8	14.2	0.0
Other reasons		2.9	0.0	0.0
Don't know				100.0
Should have checked before			28.5	
Total**		115.8	99.6	100.0
No. of Respondents		68	7*	1*
No. of Responses		79	7	1

* The number of respondents in the shopping good and specialty good case is insignificant.

**Totals do not add to 100 percent due to rounding; all percents are based on respondents shown.

Conclusions About Minor Economic Loss

These three cases (can of beans only half full, stain on garment, and camera that loses trigger) have shown that there is a pronounced propensity to complain about each problem as it relates to minor economic loss. Tables one and two relate to research question number one. The convenience good case (can of beans only half full) showed that nearly 65 percent of the respondents (194) would choose to complain about that problem. In contrast 96 percent of 195 respondents would choose to complain about the shopping good (stain on garment) case, and 99 percent of 196 respondents would complain about the specialty good (camera that loses trigger) case. Thirty-two percent of 194 respondents would not complain about the convenience good (can of beans only half full) case, and in contrast, only 3 percent of 195 respondents would not complain about the shopping good (stain on garment) case, and none of the 196 respondents would not complain about the specialty good (camera that loses trigger) case.

Nearly 59 percent of 68 respondents felt that the convenience good (beans) case was unworthy of a complaint. By comparison, 14 percent of the respondents felt that the shopping good (stain on garment) case was unworthy of a complaint, and none of the respondents felt that the specialty good (camera that loses trigger) case was unworthy of a complaint. Twenty-six percent of 68 respon-

dents felt that it was too much trouble to complain about the shopping good (stain on garment) case.

Thus, it has been shown that each of these three cases (convenience, shopping, and specialty goods) lead to a complaint, even though the loss is perceived as minor as it relates to research question number one.

Major Economic Loss

As in the previous category, minor economic loss, three hypothetical case problems were posed to respondents for the major economic loss category. Each case closely resembled the convenience, shopping, and specialty good approach used previously.

The questions asked for each type of good were as follows:

1. Convenience -- If you bought a packet of picture hangers that cost \$.25, and later discovered that an expensive picture had fallen off the wall and was ruined because the picture hangar was defective, what would you do?
2. Shopping -- If you were the beneficiary for a life insurance policy valued at \$10,000, and upon the death of the insured person whom it covered, the company did not pay you the money, what would you do?
3. Specialty -- If you bought a refrigerator that cost \$300 with a special ice-maker and in the color you wanted, and later it leaked and ruined the linoleum floor in your kitchen, what would you do?

From the above questions, a major economic loss may be viewed as:

1. One in which the item purchased is low in price, but is defective and causes a major loss to another

item (convenience good case).

2. One in which the premium paid for the product were made in good faith, and the company defaulted on its duty to remunerate the policyholder.
3. One in which the price paid for the good is high, it malfunctioned, and caused another loss that would be expensive to replace or repair.

Both Tables 3 and 4 relate to research question number one. As Table 3 shows nearly 60 percent of 204 respondents would complain about the convenience good (defective picture hangers) case, and 38 percent would choose not to complain. Two percent of the 204 respondents gave a don't know answer to the question.

Table 4 shows that 82 of 204 respondents would choose not to complain about the convenience good (defective picture hangers) case. Nearly 4 percent felt that it was too much trouble to complain about the convenience good case. And almost 22 percent of the respondents felt that nothing could be done for them in the convenience good case. Nearly 4 percent said that they did not know to whom to complain in the convenience good case. Almost 27 percent of the respondents felt that the convenience good problem was unworthy of a complaint. Nearly 60 percent of the respondents felt that the loss involved in the convenience good case would be their own fault. This indicates that the respondents perceive the fact that they should have exercised greater care in the purchase of the picture hangers or hanging of the picture or both.

As Table 3 shows, nearly 99 percent of 202 respondents would choose to complain about the shopping good (life insurance) case, and none of the respondents would choose not to complain about the shopping good case.

Table 4 shows that only 3 of 202 respondents would choose not to complain about the shopping good (life insurance) case and this is insignificant.

Further Table 3 shows that nearly 98 percent of 204 respondents would choose to complain about the specialty good (refrigerator leak) case, and only one percent would not complain.

Table 4 shows that only 5 of 204 respondents would choose not to complain about the specialty good (refrigerator leak) case and this is insignificant.

TABLE 3

RESPONSES TO THE QUESTION: WOULD YOU COMPLAIN
ABOUT PROBLEMS THAT MAY LEAD TO
MAJOR ECONOMIC LOSSES? **

(in percent)

Response \ Type of Good	Convenience (Picture Hangers)	Shopping (Life Ins.)	Specialty (Refrig. Leak)
Yes	59.8	98.5	97.5
No	38.2	0.0	1.4
Don't Know	1.9	1.4	.9
Total*	99.9	99.9	99.8
No. of Respondents	204	202	204
No. of Responses	204	202	204

*Total may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

**A demographic profile of responses to this question is in Appendix B.

TABLE 4
 RESPONSES TO THE QUESTION: FOR WHAT REASONS
 WOULD YOU CHOOSE NOT TO COMPLAIN ABOUT
 PROBLEMS THAT MAY LEAD TO
 MAJOR ECONOMIC LOSSES?
 (in percent)

Response \ Type of Good	Convenience (Picture Hangers)	Shopping (Life Ins.)	Specialty (Refrig. Leak)
Too much trouble	3.6	0.0	0.0
Nothing can be done	21.9	33.3	60.0
Time too valuable	1.2	0.0	0.0
Don't know how to to complain	0.0	0.0	0.0
Don't know to whom to complain	3.6	33.3	0.0
Problem unworthy of complaint	26.8	0.0	0.0
Don't know	2.4	33.3	40.0
My own fault	59.7	0.0	0.0
Total	119.2	99.9	100.0
No. of Respondents	82	3*	5*
No of Responses	98	3	5

*The number of respondents in the shopping and specialty good case is insignificant.

Conclusions About Major Economic Loss

These three cases (picture hangers, life insurance, and refrigerator leak) have shown that there is a propensity to complain about each problem as it relates to major economic loss. Tables 3 and 4 relate to research question number one. The convenience good case (defective picture hangers) showed that nearly 60 percent of 204 respondents would choose to complain about that problem. In contrast, nearly 99 percent of 202 respondents would choose to complain about the shopping good case (life insurance), and almost 98 percent of 204 respondents would choose to complain about the specialty good case (refrigerator leak). Thirty-eight percent of the respondents would not complain about the convenience good (picture hangers) case, and by comparison, none of the respondents would choose not to complain about the shopping good (life insurance) case, and only 1 percent would not complain about the specialty good (refrigerator leak) case.

Nearly 22 percent of 82 respondents felt that nothing could be done for them in the convenience good (defective picture hangers) case. In contrast, 33 percent of the respondents felt that nothing could be done for them in the shopping good (life insurance) case, and 60 percent of the respondents felt that nothing could be done for them in the specialty good (refrigerator leak) case. Nearly 27 percent of the respondents felt that the convenience good case was unworthy of a complaint, and in

contrast, none of the respondents in the shopping good or specialty good cases felt that these problems were unworthy of a complaint.

Thus, each of these three cases (picture hangers, life insurance, and refrigerator leak) have shown that most respondents perceived these problems as having enough importance to warrant a complaint.

Health-Safety Problem

As in the previous two categories (minor and major economic loss), three hypothetical case problems were posed to respondents for the health-safety category. And as before the case problems corresponded closely to the convenience, shopping, and specialty good classification previously used.

The questions asked for each type of good were as follows:

1. Convenience -- If you bought a soft drink from a vending machine costing \$.20 and later became sick because the drink had lye in it, what would you do?
2. Shopping -- If you bought a new color t.v. costing \$450, and the electric cord caught fire the first time you plugged it into an electric outlet due to a short in the cord, what would you do?
3. Specialty -- If you bought an expensive brand of wrist watch, and after wearing it for awhile discovered it irritated the skin on your arm and made it break out in a rash, what would you do?

From the above questions a health-safety problem may be viewed or defined as:

1. One in which the price paid for the good is low, but good health is endangered due to poor quality control and inspection at the bottlers (convenience good case).
2. One in which the price paid for the good is high, but due to a malfunction, the safety of the product itself, other property and persons become endangered (shopping good case).
3. One in which the price paid for the product is high, but due to certain physical or chemical characteristics of the product biological (health) problems are caused for the consumer (specialty good case).

Tables 5 and 6 relate to research question number one. As Table 5 shows, 87 percent of 207 respondents would choose to complain about the convenience good (soft drink with lye) case, and 9 percent would choose not to complain. Three percent of the 207 respondents gave a don't know answer to the question about the convenience good case.

As Table 6 shows, 28 percent of 25 respondents felt that it was too much trouble to complain about the convenience good case. Four percent said that they did not know how to complain in the convenience good case. Also, 8 percent of the respondents said that they did not know to whom to complain in the convenience good case. Four percent of the respondents felt that the convenience good case was unworthy of a complaint. And 32 percent of the respondents gave a don't know answer when asked for what reasons they would choose not to complain in the convenience good case.

Also Table 5 shows that 99 percent of 209 respon-

dents would choose to complain about the shopping good (color t.v.) case, and nearly 1 percent of the respondents would not complain.

Table 6 shows that only 2 of 209 respondents would choose not to complain about the shopping good (color t.v.) case and this is insignificant.

Further, Table 5 shows that nearly 67 percent of 201 respondents would choose to complain about the specialty good (wrist watch that causes rash) case, and nearly 32 percent of the respondents would not complain about the specialty good case. One percent of the respondents gave a don't know answer when asked if they would complain about the specialty good case.

As Table 6 shows, nearly 66 percent of 67 respondents felt that nothing could be done for them in the specialty good (wrist watch that causes rash) case. Four percent of the respondents said that they did not know how to complain in the specialty good case. And nearly 3 percent of the respondents said that they did not know to whom to complain in the specialty good case. Twenty-eight percent of the respondents felt that the specialty good problem was not worthy of a complaint.

TABLE 5

RESPONSES TO THE QUESTION: WOULD YOU COMPLAIN
ABOUT PROBLEMS THAT MAY ENDANGER YOUR
HEALTH OR SAFETY?*

(in percent)

Response \ Type of Good	Convenience (soft drink)	Shopping (color t.v.)	Specialty (wrist watch)
Yes	87.4	99.0	66.6
No	9.1	.9	31.8
Don't know	3.3	0.0	1.4
Total*	99.8	99.9	99.8
No. of Respondents	207	209	201
No. of Responses	207	209	201

* Total may not add to 100 percent due to rounding and/or multiple responses; all percents are based on respondents shown.

**A demographic profile of responses to this question is in Appendix B.

TABLE 6

RESPONSES TO THE QUESTION: FOR WHAT REASONS
WOULD YOU CHOOSE NOT TO COMPLAIN ABOUT
PROBLEMS THAT MAY ENDANGER YOUR
HEALTH OR SAFETY?
(in percent)

Response \ Type of Good	Convenience (soft drink)	Shopping (color t.v.)	Specialty (wrist watch)
Too much trouble	28.0	100.0	0.0
Nothing can be done	24.0	0.0	65.6
Time is too valuable	0.0	0.0	1.4
Don't know how to complain	4.0	0.0	4.4
Don't know to whom to complain	8.0	0.0	2.9
Problem unworthy of complaint	4.0	0.0	28.3
Don't know	32.0	0.0	2.9
Total	100.0	100.0	105.5
No. of Respondents	25	2*	67
No. of Responses	25	2	71

*The number of respondents in the shopping good case is insignificant.

Conclusions About the Health-Safety Problem

These three cases (soft drink with lye in it, color t.v., and wrist watch) have shown that there is a propensity to complain about each situation as they relate to health-safety problems. Tables 5 and 6 relate to research question number one. The convenience good case (soft drink with lye in it) showed that 87 percent of 207 respondents would choose to complain about that problem. In contrast 99 percent of 209 respondents would complain about the shopping good case (color t.v.) and nearly 67 percent of 201 respondents would complain about the specialty good case (wrist watch that causes rash). Nine percent of 207 respondents would not complain about the convenience good case (soft drink), and by comparison, only 1 percent of 209 respondents would not complain about the shopping good (color t.v.) case, and nearly 32 percent of 201 respondents would not complain about the specialty good case (wrist watch).

Twenty-eight percent of 25 respondents felt that it was too much trouble to complain about the convenience good case (soft drink). In contrast, 100 percent of the respondents felt that it was too much trouble to complain about the shopping good case (color t.v.), and none of the respondents felt that it was too much trouble to complain about the specialty good (wrist watch) case. Twenty-four percent of the respondents felt that nothing could be done

for them in the convenience good case (soft drink), and by comparison, nearly 66 percent of the respondents felt that nothing could be done for them in the specialty good (wrist watch) case.

Four percent of the respondents felt that the convenience good case was unworthy of a complaint, and by comparison, twenty-eight percent of the respondents felt that the specialty good (wrist watch) case was unworthy of a complaint.

Thus, each of these three cases (soft drink, color t.v., and wrist watch) have shown that most respondents perceive these problems as having enough importance to warrant a complaint.

Inconvenience Problem

The format used in the inconvenience problem is similar to that previously used in that respondents were asked three hypothetical questions (case problems). And as before the case problems corresponded closely to the convenience, shopping, and specialty good classification previously used.

The questions asked for each type of good were as follows:

1. Convenience -- If you had a retail department store in your area order for you 5 fruit cakes from a company in Louisiana at Christmas, and the fruit cakes were never delivered, what would you do?

2. Shopping -- If you ordered a stereo (e.g., RCA, Zenith, Motorola, Fisher) from a leading mail-order house (e.g., Spiegel's) that cost \$100, and your credit was never approved because the computer identified you as someone else, what would you do?
3. Specialty -- If you ordered a new car with the special features you wanted, and the dealer told you normal delivery time was 4 weeks, and after waiting 12 weeks you still did not have your car, what would you do?

From the above questions an inconvenience problem may be viewed as:

1. One in which the price paid for the good is low, and in good faith, and the good was never delivered to the parties for whom it was intended (convenience good case).
2. One in which the price paid for the good is moderate, and due to an error made by the vendor's electronic computer equipment, causes embarrassment for the consumer.
3. One in which the price paid for the good is high, and a promise is made with regard to delivery time, but said promise is not fulfilled.

Tables 7 and 8 relate to research question number one. As Table 7 shows, 96 percent of 191 respondents would choose to complain about the convenience good (fruit cake) case, and nearly 3 percent of the respondents would choose not to complain. One percent of the respondents gave a don't know answer when asked if they would complain about the convenience good case.

As Table 8 shows, 14 percent of 7 respondents felt that nothing could be done for them in the convenience good case and this is insignificant. Nearly 29 percent of the respondents gave a don't know answer when asked for

what reasons they would choose not to complain about the convenience good case.

Also Table 7 shows that nearly 85 percent of 192 respondents would choose to complain about the shopping good case (stereo ordered), and 9 percent would choose not to complain. Nearly 6 percent of the respondents gave a don't know answer when asked if they would complain about the shopping good case.

As Table 8 shows, 7 percent of 28 respondents said that it would be easy to order the stereo elsewhere in the shopping good case (stereo ordered). Eleven percent of the respondents said that they did not like mail-order in the shopping good case. Twenty-one percent of the respondents said that it was too much trouble to complain about the shopping good case. Seven percent of the respondents felt that nothing could be done for them in the shopping good case. Nearly 4 percent of the respondents said that they did not know how to complain in the shopping good case. Seven percent said that they did not know to whom to complain in the shopping good case. And 14 percent of the respondents felt that the shopping good case was unworthy of a complaint. Also 39 percent of the respondents gave a don't know answer when asked for what reasons they would choose not to complain in the shopping good case.

Further, Table 7 shows that 92 percent of 198 respondents would choose to complain about the specialty

good case (car ordered), and 5 percent would choose not to complain. Nearly 3 percent gave a don't know answer when asked if they would complain about the specialty good case.

As Table 8 shows, nearly 20 percent of the 15 respondents would cancel the order in the specialty good case (car ordered). Nearly 7 percent of the respondents felt that it was too much trouble to complain about the specialty good case. Almost 20 percent of the respondents felt that nothing could be done for them in the specialty good case. Nearly 7 percent of the respondents said that they did not know to whom to complain in the specialty good case. Almost 20 percent of the respondents felt that the specialty good case was unworthy of a complaint. And nearly 27 percent of the respondents gave a don't know answer when asked for reasons they would choose not to complain about the specialty good case.

TABLE 7

RESPONSES TO THE QUESTION: WOULD YOU COMPLAIN
ABOUT PROBLEMS THAT INVOLVE INCONVENIENCE?*

(in percent)

Response \ Type of Good	Convenience (Fruit cakes)	Shopping (Stereo)	Specialty (car ordered)
Yes	96.3	84.8	92.4
No	2.6	9.3	5.0
Don't know	1.0	5.7	2.5
Total*	99.9	99.8	99.9
No of Respondents	191	192	198
No of Responses	191	192	198

*Total may not add to 100 percent due to rounding and/or multiple responses; all percents are based on respondents shown.

**A demographic profile of responses to this question is in Appendix B.

TABLE 8

RESPONSES TO THE QUESTION: FOR WHAT REASONS WOULD
YOU CHOOSE NOT TO COMPLAIN ABOUT PROBLEMS
THAT INVOLVE INCONVENIENCE?

(in percent)

Response \ Type of Good	Convenience (Fruit cakes)	Shopping (Stereo)	Specialty (car ordered)
Easy to order elsewhere	0.0	7.1	0.0
Don't like mailorder	0.0	10.7	0.0
Cancel order	0.0	0.0	19.9
Too much trouble	0.0	21.4	6.6
Nothing can be done	14.2	7.1	19.9
Time is too valuable	0.0	0.0	0.0
Don't know how to complain	0.0	3.5	0.0
Don't know to whom to complain	0.0	7.1	6.6
Problem unworthy of complaint	57.1	14.2	19.9
Don't know	28.5	39.2	26.6
Total	99.8	110.3	99.5
No. of Respondents	7*	28	15
No. of Responses	7	31	15

*The number of respondents in the convenience good case is insignificant.

Conclusions About the Inconvenience Problem

These three cases (fruit cakes, stereo ordered, and car ordered) have shown that there is a propensity to complain about each situation as they relate to inconvenience. Tables 7 and 8 relate to research question number one. The convenience good case (fruit cakes) showed that 96 percent of 191 respondents would choose to complain about that problem, and in contrast, nearly 85 percent of 192 respondents would complain about the shopping good case (stereo ordered), and 92 percent of 198 respondents would complain about the specialty good case (car ordered). Only 3 percent of the respondents would choose not to complain about the convenience good case (fruit cakes), and by comparison, nine percent would choose not to complain about the shopping good case (stereo ordered), and 5 percent would choose not to complain about the specialty good case (car ordered).

Fourteen percent of the respondents felt that nothing could be done for them in the convenience good case (fruit cakes), and by comparison, seven percent of the respondents felt that nothing could be done for them in the shopping good case, and 20 percent of the respondents felt that nothing could be done for them in the specialty good case. Fifty-seven percent of the respondents felt that the convenience good case was unworthy of a complaint. And by comparison 14 percent of the respondents felt that the shopping good case was unworthy of a complaint, and 20

percent of the respondents felt that the shopping good case was unworthy of a complaint.

Thus, these three cases (fruit cakes, stereo ordered, and car ordered) have shown that respondents perceive these problems as having enough importance to warrant a complaint.

Chapter Four will analyze consumer preferences about mechanisms used and parties to whom a complaint is directed.

CHAPTER IV

AN ANALYSIS OF CONSUMER PREFERENCES ABOUT MECHANISMS USED AND PARTIES TO WHOM A COMPLAINT IS DIRECTED

The purpose of this chapter is to analyze consumer preferences about mechanisms used and parties to whom a complaint is directed. Specifically, research question number two (What are the preferences of consumers as to procedures to follow in complaining?) focuses on the following questions:

1. How would you prefer to complain?
2. To whom would you prefer to complain?

The approach used will be a side-by-side analysis of cases that fall within a given category. For example, the first type of complaint, minor economic loss, will analyze convenience, shopping, and specialty goods side-by-side. The same procedure will be employed for other types of complaint categories which are major economic loss, health-safety problems, and inconvenience problems.

All responses shown are stated in percentage form.

Minor Economic Loss

Three hypothetical case problems were posed to respondents for the minor economic loss category. The case problems corresponded closely to the traditional method

of classification used for consumer goods (convenience, shopping, and specialty).

The questions asked for each type of good were stated in Chapter Three. Also a definition of minor economic loss was stated in Chapter Three.

The treatment of minor economic loss in Chapter Four focuses on:

1. How would you prefer to complain?
2. To whom would you prefer to complain?

Tables 9 and 10 relate to research question number two. As Table 9 shows, 3 percent of 126 respondents would prefer to complain about the convenience good case (can of beans only half full) by telephone. Ninety-six percent would prefer to complain about the convenience good case in person.

As Table 10 shows, nearly 97 percent of 125 respondents would prefer to complain to the vendor in the convenience good case. This indicates that these respondents perceive the problem as having enough importance to warrant a complain in nearly 97 percent of the cases. Four percent would prefer to complain to a public agency in the convenience good case. Almost 6 percent would prefer to complain to the producer (or canner) in the convenience good case.

As Table 9 further shows, nearly 4 percent of 188 respondents would prefer to complain by telephone in the

shopping good case (stain on garment). And nearly 96 percent of the respondents would prefer to complain in person in the shopping good case.

Table 10 shows that nearly 100 percent of 187 respondents would prefer to complain at the place of the vendor in the shopping good case (stain on garment). Only 1 percent would prefer to complain to a private agency in the shopping good case.

Also Table 9 shows that nearly 6 percent of 195 respondents would prefer to complain by mail in the specialty good case (camera that loses trigger). And nearly 8 percent of the respondents would prefer to complain by telephone in the specialty good case. Ninety-one percent would prefer to complain in person in the specialty good case.

As Table 10 shows, nearly 98 percent of 195 respondents would prefer to complain to the vendor in the specialty good case (camera that loses trigger). Two percent would prefer to complain to a private agency in the specialty good case. And nearly 8 percent would prefer to complain to a lawyer in the specialty good case. One percent said they would prefer to complain to a newspaper or television hotline in the specialty good case.

TABLE 9

RESPONSES TO THE QUESTION: HOW WOULD YOU
PREFER TO COMPLAIN ABOUT PROBLEMS THAT
MAY LEAD TO MINOR ECONOMIC LOSSES?

(in percent)

Response \ Type of Good	Convenience (Beans)	Shopping (Stain)	Specialty (Camera)
By mail	.7	1.0	5.6
Telephone	3.1	3.7	7.6
In person	96.0	95.7	91.2
Don't know	.7	.5	0.0
Total*	100.5	100.9	104.4
No. of Respondents	126	188	195
No. of Responses	127	190	204

*Total may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

TABLE 10

RESPONSES TO THE QUESTION: TO WHOM WOULD YOU
PREFER TO COMPLAIN ABOUT PROBLEMS THAT
MAY LEAD TO MINOR ECONOMIC LOSSES?

(in percent)

Response \ Type of Good	Convenience (Beans)	Shopping (Stain)	Specialty (Camera)
Place of vendor	96.8	99.9	97.9
Friends/Family	1.6	1.0	2.0
Public Agency	4.0	.5	.5
Private Agency	1.6	1.0	2.0
Producer	5.6	1.0	7.6
Don't know	0.0	0.0	0.0
Newspaper/tele- vision hotline	0.0	0.0	1.0
Lawyer	0.0	0.0	0.0
Total*	109.6	103.4	111.0
No. of Respondents	125	187	195
No. of Responses	137	194	217

*Total may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

Conclusions About Minor Economic Loss

These three cases (can of beans only half full, stain on garment, and camera that loses trigger) have shown the preferences of respondents with regard to how they would prefer to complain (by mail, telephone, or in person), as well as the party to whom they would prefer to complain as both relate to minor economic loss. Tables 9 and 10 relate to research question number two. The convenience good case (can of beans half full) showed that the majority of respondents (96 percent) would prefer to complain in person at the place of the vendor (in nearly 98 percent of the cases).

The shopping good case (stain on garment) showed that the majority of respondents (nearly 96 percent) would prefer to complain in person at the place of the vendor (in nearly 100 percent of the cases).

Also the specialty good case (camera that loses trigger) showed that the majority of respondents (91 percent) would prefer to complain in person at the place of the vendor (in nearly 98 percent of the cases).

All of the three cases are similar in that the majority of respondents preferred to complain in person at the place of the vendor (seller), and they are also similar in that most respondents perceive these problems as having enough importance to warrant a complaint.

Major Economic Loss

As with the previous category, minor economic loss, three hypothetical case problems were posed to respondents for the major economic loss category. Each case closely resembled the convenience, shopping, and specialty good approach used previously. Chapter Three states the questions posed to each respondent for the major economic loss category.

The treatment of major economic loss in Chapter Four focuses on the following questions:

1. How would you prefer to complain?
2. To whom would you prefer to complain?

Tables 11 and 12 relate to research question number two. As Table 11 shows, 21 percent of 122 respondents would prefer to complain by mail in the convenience good case (defective picture hangers). And nearly 11 percent would prefer to complain by telephone in the convenience good case. Sixty-eight percent would prefer to complain in person in the convenience good case. And 7 percent gave a don't know answer when asked how they would prefer to complain in the convenience good case.

Table 12 shows that 87 percent of 117 respondents would prefer to complain at the place of the vendor in the convenience good case (defective picture hangers). Nearly 3 percent would prefer to complain to a private agency in the convenience good case. And nearly 24 percent

would prefer to complain to the producer in the convenience good case. Three percent would prefer to complain to a lawyer in the convenience good case.

As Table 11 shows, nearly 23 percent of 199 respondents would prefer to complain by mail in the shopping good case (life insurance). And 42 percent would prefer to complain by telephone in the shopping good case. Also, 42 percent said they would prefer to complain in person in the shopping good case. Nearly 7 percent gave a don't know answer when asked how they would prefer to complain in the shopping good case.

As Table 12 shows, nearly 32 percent of 198 respondents would prefer to complain at the place of the vendor in the shopping good case (life insurance). Also 4 percent said they would prefer to complain to a public agency in the shopping good case. Three percent would prefer to complain to a private agency in the shopping good case. Fifty-nine percent would prefer to complain to the producer in the shopping good case. And nearly 48 percent would prefer to complain to a lawyer in the shopping good case.

Also Table 11 shows that nearly 10 percent of 199 respondents would prefer to complain by mail in the specialty good case (refrigerator leak). And almost 47 percent would prefer to complain by telephone in the specialty good case. Nearly 57 percent would prefer to complain in person in the specialty good case.

As Table 12 shows, nearly 95 percent of 199 respondents would prefer to complain to the vendor in the specialty good case (refrigerator leak). Three percent would prefer to complain to a public agency in the specialty good case. And 17 percent would prefer to complain to the producer in the specialty good case. Two percent said that they would prefer to complain to a lawyer in the specialty good case.

TABLE 11

RESPONSES TO THE QUESTION: HOW WOULD YOU
PREFER TO COMPLAIN ABOUT PROBLEMS THAT
MAY LEAD TO MAJOR ECONOMIC LOSSES?

(in percent)

Response \ Type of Good	Convenience (picture hangers)	Shopping (life ins.)	Specialty (refrig. leak)
By mail	21.3	22.6	9.5
Telephone	10.6	42.2	46.7
In person	68.0	42.2	56.7
Don't know	7.3	6.5	.5
Total*	107.2	113.5	113.4
No. of Respondents	122	199	199
No. of Responses	131	226	226

*Total may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

TABLE 12

RESPONSES TO THE QUESTION: TO WHOM WOULD YOU
PREFER TO COMPLAIN ABOUT PROBLEMS THAT
MAY LEAD TO MAJOR ECONOMIC LOSSES?

(in percent)

Responses \ Type of Good	Convenience (picture hangers)	Shopping (life ins.)	Specialty (refrig. leak)
Place of Vendor	87.1	31.8	94.9
Friends/Family	.8	.5	0.0
Public Agency	.8	4.0	1.0
Private Agency	2.5	3.0	3.0
Producer	23.9	59.0	17.0
Lawyer	3.4	47.9	2.0
Insurance Agent	.8	0.0	0.0
Insurance Company	0.0	0.0	.5
Don't know	0.0	3.0	.5
Total*	119.3	149.2	118.9
No. of Respondents	117	198	199
No. of Responses	140	296	237

*Total may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

Conclusions About Major Economic Loss

These three cases (defective picture hangers, life insurance, and refrigerator leak) have shown the preferences of respondents in regard to how they would prefer to complain and to whom they would prefer to complain as both relate to major economic loss. Tables 11 and 12 relate to research question number two. The convenience good case (defective picture hangers) showed that 68 percent of 122 respondents would prefer to complain in person at the place of the vendor (in 87 percent of the cases).

The shopping good case (life insurance) showed that 42 percent of the respondents (199) would prefer to complain by telephone. Also 42 percent would prefer to complain in person. Thirty-two percent of the respondents would prefer to complain to the vendor in the shopping good case. And 59 percent would prefer to complain to the producer in the shopping good case. Forty-eight percent would prefer to complain to a lawyer in the shopping good case.

In the specialty good case (refrigerator leak) 47 percent of the respondents would prefer to complain by telephone, and 57 percent preferred to complain in person. The majority of the respondents (nearly 95 percent) would prefer to complain to the vendor (appliance store) in the specialty good case.

All three cases (convenience, shopping, and specialty)

have shown that the majority of respondents perceive these problems as having enough importance to warrant a complaint.

Health-Safety Problem

As in the previous two categories, minor economic loss and major economic loss, three hypothetical case problems were posed to respondents for the health-safety category. Each case closely resembled the convenience, shopping, and specialty good approach used previously. Chapter Three states the questions posed to each respondent for the health-safety problem.

The treatment of health-safety in Chapter Four focuses on:

1. How would you prefer to complain?
2. To whom would you prefer to complain?

Tables 13 and 14 relate to research question number two. As Table 13 shows, 18 percent of 181 respondents would prefer to complain by mail in the convenience good case (soft drink with lye in it). And 45 percent would prefer to complain by telephone in the convenience good case. Nearly 44 percent would prefer to complain in person in the convenience good case. And almost 5 percent gave a don't know answer when asked how they would prefer to complain in the convenience good case.

As Table 14 shows, 24 percent of 181 respondents would prefer to complain at the place of the vendor in the convenience good case (soft drink with lye in it). Nine percent

would prefer to complain to a public agency in the convenience good case. And 7 percent would prefer to complain to a private agency in the convenience good case. Sixty-five percent would prefer to complain to the producer (or the bottler) in the convenience good case. Also 22 percent would prefer to complain to a lawyer in the convenience good case. Seven percent would prefer to complain to a doctor in the convenience good case.

Also Table 13 shows that nearly 6 percent of 207 respondents would prefer to complain by mail in the shopping good case (color t.v.). Nearly 57 percent would prefer to complain by telephone in the shopping good case. And almost 48 percent would prefer to complain in person in the shopping good case.

As Table 14 shows, nearly 98 percent of 207 respondents would prefer to complain at the place of the vendor in the shopping good case (color t.v.). Four percent would prefer to complain to a private agency in the shopping good case. And 9 percent would prefer to complain to the producer in the shopping good case. Two percent would prefer to complain to a lawyer in the shopping good case.

Further, Table 13 shows that nearly 13 percent of 134 respondents would prefer to complain by mail in the specialty good case (wrist watch that causes rash). And 8 percent would prefer to complain by telephone in the specialty good case. Seventy-five percent would prefer to complain

in person in the specialty good case. And 10 percent gave a don't know answer when asked how they would prefer to complain in the specialty good case.

Table 14 shows that 89 percent of 122 respondents would prefer to complain at the place of the vendor in the specialty good case. And two percent would prefer to complain to a public agency in the specialty good case. Three percent said they would prefer to complain to a private agency in the specialty good case. Almost 14 percent would prefer to complain to the producer in the specialty good case. And 4 percent would prefer to complain to a doctor in the specialty good case.

TABLE 13

RESPONSES TO THE QUESTION: HOW WOULD YOU
PREFER TO COMPLAIN ABOUT PROBLEMS THAT
MAY ENDANGER YOUR HEALTH OR SAFETY?
(in percent)

Response \ Type of Good	Convenience (soft drink)	Shopping (color t.v.)	Specialty (wrist watch)
By mail	18.2	5.7	12.6
Telephone	45.3	56.5	8.2
In person	43.6	48.3	75.3
Don't know	4.9	.4	10.4
Total*	112.0	110.9	106.5
No. of Respondents	181	207	134
No. of Responses	203	230	143

*Total may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

TABLE 14

RESPONSES TO THE QUESTION: TO WHOM WOULD YOU
PREFER TO COMPLAIN ABOUT PROBLEMS THAT
MAY ENDANGER YOUR HEALTH OR SAFETY?

(in percent)

Responses \ Type of Good	Convenience (soft drink)	Shopping (color t.v.)	Specialty (wrist watch)
Place of Vendor	24.3	97.5	89.3
Friends/Family	3.3	.9	.8
Public Agency	9.3	0.0	2.4
Private Agency	7.1	4.3	3.2
Producer	65.1	9.1	13.9
Lawyer	22.0	2.4	0.0
Doctor	7.1	0.0	4.0
Insurance	0.0	.4	0.0
Don't know	1.0	0.0	1.6
Total*	139.2	114.6	115.2
No. of Respondents	181	207	122
No. of Responses	253	238	141

*Total may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

Conclusions About the Health-Safety Problem

These three cases (soft drink, color t.v., and wrist watch) have shown the preferences of respondents in regard to how they would prefer to complain and to whom they would prefer to complain as both relate to the health-safety category. Tables 13 and 14 relate to research question number two. The convenience good case (soft drink with lye in it) showed that 45 percent of 181 respondents would prefer to complain by telephone, and nearly 44 percent would prefer to complain in person. The parties to whom the respondents preferred to complain in the convenience good case varied considerably. Twenty-four percent would prefer to complain at the place of the vendor. Sixty-five percent would prefer to complain to producer (bottler of the soft drink). And 22 percent would prefer to complain to their lawyer in the convenience good case.

The shopping good case (color t.v.) showed that 57 percent of 207 respondents would prefer to complain by telephone, and 48 percent would prefer to complain in person. Nearly 98 percent of these 207 respondents would prefer to complain to the vendor in the shopping good case.

In the specialty good case (wrist watch that causes rash) 75 percent of 134 respondents would prefer to complain in person at the place of the vendor (in 89 percent of the cases).

All three cases have shown that respondents perceive

these problems as having enough importance to warrant a complaint.

Inconvenience Problem

As in the three previous categories (minor economic loss, major economic loss, and health-safety problems), three hypothetical case problems were posed to respondents for the inconvenience category. And as before each case closely resembled the convenience, shopping, and specialty good approach used previously. Chapter Three states the questions posed to each respondent for the inconvenience problems.

The treatment of inconvenience problems in Chapter Four focuses on the following questions:

1. How would you prefer to complain?
2. To whom would you prefer to complain?

Tables 15 and 16 relate to research question number two. As Table 15 shows, 27 percent of 184 respondents would prefer to complain by mail in the convenience good case (fruit cakes that were never delivered). And 37 percent would prefer to complain by telephone in the convenience good case. Nearly 46 percent would prefer to complain in person in the convenience good case.

As Table 16 shows, nearly 86 percent of 182 respondents would prefer to complain at the place of the vendor (department store where fruit cakes ordered) in the convenience good case. Also 2 percent would prefer to complain

to a public agency in the convenience good case. Nearly 8 percent would prefer to complain to a private agency in the convenience good case. Almost 23 percent would prefer to complain to the producer (maker of the fruit cakes located in Louisiana) in the convenience good case.

As Table 15 also shows, nearly 54 percent of 163 respondents would prefer to complain by mail in the shopping good (stereo ordered from a mail-order house) case. And almost 39 percent would prefer to complain by telephone in the shopping good case. Nearly 12 percent would prefer to complain in person in the shopping good case. Five percent gave a don't know answer when asked how they would prefer to complain in the shopping good case.

As Table 16 shows, nearly 87 percent of 163 respondents would prefer to complain at the place of the vendor in the shopping good (stereo ordered) case. Seven percent would prefer to complain to a public agency in the shopping good case. And nearly 8 percent would prefer to complain to a private agency in the shopping good case. Four percent would prefer to complain to the producer in the shopping good case. And nearly 4 percent would prefer to complain to a lawyer in the shopping good case.

Further, Table 15 shows that 7 percent of 183 respondents would prefer to complain by mail in the specialty good (car ordered) case. And nearly 35 percent would prefer to complain by telephone in the specialty good case.

Fifty-five percent would prefer to complain in person in the specialty good case. Almost 9 percent gave a don't know answer when asked how they would prefer to complain in the specialty good case.

Table 16 shows that 92 percent of 169 respondents would prefer to complain at the place of the vendor (car dealer) in the specialty good case. And almost 15 percent would prefer to complain to the producer in the specialty good case.

TABLE 15

RESPONSES TO THE QUESTION: HOW WOULD YOU
PREFER TO COMPLAIN ABOUT PROBLEMS THAT
INVOLVE INCONVENIENCE?

(in percent)

Responses \ Type of Good	Convenience (fruit cakes)	Shopping (stereo)	Specialty (car ordered)
By mail	27.1	53.9	7.1
Telephone	37.4	38.6	34.9
In person	45.6	11.6	55.1
Don't know	.5	4.9	8.7
Total*	110.6	109.0	105.8
No. of Respondents	184	163	183
No. of Responses	204	178	194

*Total may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

TABLE 16

RESPONSES TO THE QUESTION: TO WHOM WOULD YOU
PREFER TO COMPLAIN ABOUT PROBLEMS THAT
INVOLVE INCONVENIENCE?

(in percent)

Responses \ Type of Good	Convenience (fruit cakes)	Shopping (stereo)	Specialty (car ordered)
Place of Vendor	85.7	86.5	92.3
Friends/Family	1.6	.6	2.3
Public Agency	2.1	7.3	1.1
Private Agency	7.6	7.9	1.7
Producer	22.5	4.2	14.7
Newspaper/tele- vision hotline	1.6	.6	0.0
Lawyer	0.0	3.6	0.0
Don't know	.5	4.9	.5
Total*	121.6	115.6	112.6
No. of Respondents	182	163	169
No. of Responses	222	189	191

*Total may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

Conclusions About the Inconvenience Problem

These three cases (fruit cakes, stereo ordered, and car ordered) have shown consumer preferences in regard to how they would prefer to complain and to whom they would prefer to complain as both relate to inconvenience problems. Tables 15 and 16 relate to research question number two. The convenience good case (fruit cakes ordered) showed that the majority (86 percent) of 182 respondents would prefer to complain to the vendor (department store where fruit cakes ordered). Consumer preferences varied considerably in the convenience good case as to how they would prefer to complain. Thirty-seven percent would prefer to complain by telephone. And 46 percent would prefer to complain in person.

The shopping good case (stereo ordered) also showed that the majority (87 percent) of 163 respondents would prefer to complain to the vendor (mail-order house). But here also consumer preferences varied considerably as to how they would prefer to complain. Fifty-four percent would prefer to complain by mail. And 39 percent would prefer to complain by telephone. Twelve percent would prefer to complain in person.

The specialty good case (car ordered) showed that 92 percent of 169 respondents preferred to complain to the vendor (car dealer). Fifty-five percent would prefer to complain to the vendor in person, and 35 percent would

prefer to complain by telephone.

All three cases are similar in that the majority of respondents preferred to complain to the vendor (department store, mail-order house, or car dealer). The cases are different in that consumer preferences varied considerably in regard to how they would prefer to complain.

Chapter Five will analyze consumer preferences about action expectations as to outcome from the party to whom they may complain or have complained.

CHAPTER V

AN ANALYSIS OF CONSUMER PREFERENCES ABOUT ACTION EXPECTATIONS FROM THE PARTY TO WHOM THEY MAY COMPLAIN OR HAVE COMPLAINED

The purpose of this chapter is to analyze consumer preferences about action expectations from the party to whom they have directed a complaint. Specifically, research question number three (What are the preferable expectations of consumers in the complaint process?) focuses on the following questions:

1. What action would you expect (prefer or desire) if you complained to a public or private agency?
2. What action would you expect (prefer or desire) if you complained to the store or manufacturer?
3. How long would you expect the response to take?

The analysis in Chapter Five will not consider the few complaints directed to friends or family members or complaints directed to other places, because the numbers of respondents choosing to complain to either of the above (friends or family members or other places) was too small to be substantive or meaningful.

The approach used will be a side-by-side analysis of cases that fall within a given category. For example, the first type of complaint, minor economic loss, will analyze convenience, shopping, and specialty goods side-

by-side. The same procedure will be employed for other types of complaint categories which are major economic loss, health-safety problems, and inconvenience problems.

All responses shown are stated in percentage form.

Minor Economic Loss

Three hypothetical case problems were posed to respondents for the minor economic loss category. The case problems corresponded closely to the traditional method of classification used for consumer goods (convenience, shopping, and specialty). The questions asked for each type of good were stated in Chapter Three.

The treatment of minor economic loss in Chapter Five will focus on:

1. What action would you expect (prefer or desire) if you complained to a public or private agency?
2. What action would you expect (prefer or desire) if you complained to the store or manufacturer?
3. How long would you expect the response to take?

Tables 17, 18, and 19 relate to research question number three. As Table 17 shows, nearly 43 percent of 7 respondents would expect (or prefer) a telephone call from a public or private agency in the convenience good case (can of beans only half full). Almost 43 percent would expect the public or private agency to exert pressure on the business firm in the convenience good case. Fourteen percent gave a don't know answer when asked what action they expected from a public or private agency in the

convenience good case.

Table 18 shows that nearly 5 percent of 122 respondents would prefer or expect a telephone call in the convenience good case (can of beans only half full) if they complained to the store or manufacturer. Seven percent would expect a personal visit from the store or manufacturer in the convenience good case. Thirty-five percent would expect the store or manufacturer to give them a refund in the convenience good case. Seventy-five percent would expect the store or manufacturer to replace the product in the convenience good case. Two percent would expect the manufacturer to bring pressure on the seller in the convenience good case. Three percent would expect the store or manufacturer to check all cans more thoroughly in the convenience good case. Also 2 percent would expect nothing from the store or manufacturer in the convenience good case.

As Table 19 shows, nearly 86 percent of 126 respondents would expect a response to take from one day to one week in the convenience good case. Three percent would expect a response to take from 2 to 3 weeks in the convenience good case. Also, 3 percent would expect a response to take 7 weeks or more in the convenience good case. Seven percent gave a don't know answer when asked how long a response should take in the convenience good case.

As Table 17 shows, nearly 67 percent of 3 respondents

would expect a public or private agency to exert pressure on the business firm in the shopping good case (stain on garment). Thirty-three percent gave a don't know answer when asked what action they would expect if they complained to a public or private agency in the shopping good case.

Table 18 shows that nearly 6 percent of 187 respondents would expect a personal visit from the store or manufacturer in the shopping good case (stain on garment). Also, 5 percent would expect the store or manufacturer to substitute the product in the shopping good case. Six percent would expect the store or manufacturer to repair the product in the shopping good case. Sixty-seven percent would expect a refund from the store or manufacturer in the shopping good case. Eighty-two percent would expect a replacement from the store or manufacturer in the shopping good case.

Table 19 shows that 92 percent of 188 respondents would expect a response within one week in the shopping good case. Nearly 4 percent would expect a response to take from 2 to 3 weeks in the shopping good case. One percent would expect a response to take from 4 to 6 weeks in the shopping good case.

Further, Table 17 shows that 80 percent of 5 respondents would expect a public or private agency to exert pressure on the business firm in the specialty good case (camera that loses trigger). Forty percent would expect

the public or private agency to solve their problem as requested in the specialty good case.

As Table 18 shows, nearly 7 percent of 193 respondents would expect or prefer a personal visit from the store or manufacturer in the specialty good case (camera that loses trigger). Twenty-seven percent would expect the store or manufacturer to repair the product in the specialty good case. Almost 45 percent would expect a refund from the store or manufacturer in the specialty good case. Eighty-seven percent would expect a replacement of the product by the store or manufacturer in the specialty good case.

As Table 19 shows, 75 percent of 195 respondents would expect a response to take no more than one week in the specialty good case. Eight percent would expect a response to take from 2 to 3 weeks in the specialty good case. Four percent would expect a response to take from 4 to 6 weeks in the specialty good case. And nearly 7 percent would expect a response to take 7 weeks or more in the specialty good case. Six percent gave a don't know answer when asked how long a response should take in the specialty good case.

TABLE 17

RESPONSES TO THE QUESTION: WHAT ACTION WOULD YOU EXPECT (PREFER OR DESIRE) IF YOU COMPLAINED TO A PUBLIC OR PRIVATE AGENCY ABOUT PROBLEMS THAT MAY LEAD TO MINOR ECONOMIC LOSSES?

(in percent)

Responses	Type of	Convenience (Beans)	Shopping (Stain)	Specialty (Camera)
Phone call		42.8	0.0	0.0
Letter		0.0	0.0	0.0
Personal visit		0.0	0.0	0.0
Pressure on Business		42.8	66.6	80.0
Solve problem re- quested		0.0	0.0	0.0
Respond to demands-- most		0.0	0.0	0.0
Respond to demands-- very few		0.0	0.0	0.0
Respond to demands-- none		0.0	0.0	0.0
Don't know		14.2	33.3	0.0
Total*		99.8	99.9	120.0
No. of Respondents		7**	3**	5**
No. of Responses		7	3	6

*Total may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

**The number of respondents in the convenience, shopping, and specialty good cases above are insignificant, but they are included to show the lack of consumer awareness of public and private agencies as parties to whom a complaint may be directed.

TABLE 18

RESPONSES TO THE QUESTION: WHAT ACTION WOULD YOU
EXPECT (PREFER OR DESIRE) OF YOU COMPLAINED TO
THE STORE OR MANUFACTURER ABOUT PROBLEMS
THAT MAY LEAD TO MINOR ECONOMIC LOSSES?

(in percent)

Responses \ Type of Good	Convenience (Beans)	Shopping (Stain)	Specialty (Camera)
Phone call	4.9	.5	.5
Letter	.8	.5	2.0
Personal visit	7.3	5.8	6.7
Substitute product	.8	5.3	2.0
Repair product	.8	6.4	27.4
Refund	35.2	67.3	44.5
Replacement	75.4	82.3	87.0
Pressure on seller	2.4	0.0	.5
Check all cans	3.2	0.0	0.0
Expect nothing	2.4	0.0	0.0
Pay for cleaning	0.0	1.0	0.0
Don't know	.8	0.0	0.0
Total*	134.0	169.1	170.6
No. of Respondents	122	187	193
No. of Responses	164	317	330

*Total may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

TABLE 19

RESPONSES TO THE QUESTION: HOW LONG WOULD YOU
EXPECT A RESPONSE TO TAKE ABOUT PROBLEMS
THAT MAY LEAD TO MINOR ECONOMIC LOSSES?

(in percent)

Responses \ Type of Good	Convenience (Beans)	Shopping (Stain)	Specialty (Camera)
0 - 1 week	85.7	92.0	75.3
2 - 3 weeks	3.1	3.7	8.2
4 - 6 weeks	.7	1.0	4.1
7 weeks or more	3.1	0.0	6.6
Don't know	7.1	3.1	6.1
Total*	99.7	99.8	100.3
No. of Respondents	126	188	195
No. of Responses	126	188	196

*Total may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

Conclusions About Minor Economic Loss

These three cases (can of beans only half full, stain on garment, and camera that loses trigger) have shown the preferences of respondents in regard to action expected (preferred or desired) if they complained to a public or private agency or if they complained to the store or manufacturer as it relates to minor economic loss. Tables 17, 18, and 19 relate to research question number three. The three cases have also shown respondent preferences about how long they think a response should take.

All three cases (convenience, shopping, and specialty) have shown that very few respondents would prefer to complain to a public or private agency. Among those respondents who did prefer to complain to a public or private agency, the most frequently preferred action expectation was for the public or private agency to exert pressure on the business firm.

The majority of all respondents in each case (convenience, shopping, and specialty) would prefer to complain to the store or manufacturer. This fact is reflected by the large number of respondents shown in Table 18. The most frequently preferred action expectation mentioned by those respondents choosing to complain to the store or manufacturer was for the product to be replaced (this was found to be true in all three cases).

All of the three cases (convenience, shopping, and specialty) are similar also in that the majority of res-

pondents expected a response within one week.

Major Economic Loss

As with the previous category, minor economic loss, three hypothetical case problems were posed to respondents for the major economic loss category. Each case closely resembled the convenience, shopping, and specialty good approach used previously. The questions asked for each type of good were stated in Chapter Three.

The treatment of major economic loss in Chapter Five focuses on the following questions:

1. What action would you expect (prefer or desire) if you complained to a public or private agency?
2. What action would you expect (prefer or desire) if you complained to the store or manufacturer?
3. How long would you expect the response to take?

Tables 20, 21, and 22 relate to research question number three. As Table 20 shows, 75 percent of 4 respondents would expect a public or private agency to exert pressure on the business firm in the convenience good case (defective picture hangers). Also, 75 percent would expect a public or private agency to solve their problem as requested in the convenience good case. Twenty-five percent would expect a public or private agency to respond to most of their demands in the convenience good case.

As Table 21 shows, 5 percent of 115 respondents would expect a phone call from the store or manufacturer in the convenience good case (defective picture hangers). Nearly

7 percent would expect a letter from the store or manufacturer in the convenience good case. Also 5 percent would expect or prefer a personal visit from the store or manufacturer in the convenience good case. Almost 10 percent would expect the store or manufacturer to repair the product in the convenience good case. Twenty-four percent would expect a refund from the store or manufacturer in the convenience good case. And nearly 34 percent would expect a replacement for the product by the store or manufacturer in the convenience good case. Four percent would expect pressure to be exerted on the seller in the convenience good case. Forty-five percent would expect the store or manufacturer to replace or repair the damaged picture in the convenience good case. And nearly 10 percent gave a don't know answer when asked what action they would expect if they complained to the store or manufacturer in the convenience good case.

Table 22 shows that 40 percent of 122 respondents would expect a response within a week in the convenience good case (defective picture hangers). Seventeen percent would expect to take from 2 to 3 weeks in the convenience good case. Nearly 5 percent would expect a response to take from 4 to 6 weeks in the convenience good case. Almost 10 percent would expect a response to take 7 weeks or more in the convenience good case. Nearly 28 percent gave a don't know answer when asked how long a response should take in the convenience good case.

As Table 20 shows, almost 8 percent of 13 respondents would expect a letter from a public or private agency in the shopping good case (life insurance). Nearly 54 percent would expect the public or private agency to exert pressure on the business firm in the shopping good case. Also, nearly 54 percent would expect a public or private agency to solve their problem as requested in the shopping good case.

As Table 21 shows, 10 percent of 135 respondents would expect a phone call from the store (insurance agent) or manufacturer (insurance company) in the shopping good case (life insurance). And 14 percent would expect a letter from the store (insurance agent) or manufacturer (insurance company) in the shopping good case. Four percent would expect a personal visit from the store (insurance agent) or manufacturer (insurance company) in the shopping good case. Nearly 10 percent would expect a refund from the store (insurance agent) or manufacturer (insurance company) in the shopping good case. Thirteen percent would expect pressure to be exerted on the seller (insurance agent or insurance company) in the shopping good case. Fifty-six percent would expect a policy payment settlement from the store (insurance agent) or manufacturer (insurance company) in the shopping good case. Three percent would expect the store (insurance agent) or manufacturer (insurance company) to check their policy

and make sure it was still active in the shopping good case. Also 5 percent gave a don't know answer when asked what action they would expect if they complained to the store (insurance agent) or manufacturer (insurance company) in the shopping good case.

Table 22 shows that nearly 19 percent of 199 respondents would expect a response to take one week in the shopping good case (life insurance). And nearly 14 percent would expect a response to take from 2 to 3 weeks in the shopping good case. Almost 6 percent would expect a response to take from 4 to 6 weeks in the shopping good case. Seventeen percent would expect a response to take 7 weeks or more in the shopping good case. And nearly 46 percent gave a don't know answer when asked how long a response should take in the shopping good case.

Further, Table 20 shows that 14 percent of 7 respondents would expect a phone call from a public or private agency in the specialty good case (refrigerator leak that damages linoleum floor). Also 14 percent would expect a letter from a public or private agency in the specialty good case. Fifty-seven percent would expect the public or private agency to exert pressure on the business firm in the specialty good case. Also 57 percent would expect the public or private agency to solve their problem as requested in the specialty good case. Fourteen percent would expect the public or private agency to respond to

most of their demands in the specialty good case.

As Table 21 shows, 4 percent of 197 respondents would expect a phone call from the store or manufacturer in the specialty good case (refrigerator leak). Five percent would expect a personal visit from the store or manufacturer in the specialty good case. Nearly 65 percent would expect the store or manufacturer to repair the product in the specialty good case. Twelve percent would expect the store or manufacturer to give them a refund in the specialty good case. Almost 57 percent would expect the store or manufacturer to replace the product in the specialty good case. Fifty-three percent would expect the store or manufacturer to replace, repair, or compensate them for their loss in the specialty good case.

Table 22 shows that nearly 55 percent of 199 respondents would expect a response to take one week in the specialty good case. Also 17 percent would expect a response to take from 2 to 3 weeks in the specialty good case. Four percent would expect a response to take from 4 to 6 weeks in the specialty good case. And nearly 10 percent would expect a response to take 7 weeks or more in the specialty good case. Almost 15 percent gave a don't know answer when asked how long a response should take in the specialty good case.

TABLE 20

RESPONSES TO THE QUESTION: WHAT ACTION WOULD YOU EXPECT (PREFER OR DESIRE) IF YOU COMPLAINED TO A PUBLIC OR PRIVATE AGENCY ABOUT PROBLEMS THAT MAY LEAD TO MAJOR ECONOMIC LOSSES?

(in percent)

Responses \ Type of Good	Convenience (picture hangers)	Shopping (life ins.)	Specialty (refrig. leak)
Phone call	0.0	0.0	14.2
Letter	0.0	7.6	14.2
Personal visit	0.0	0.0	0.0
Pressure on business	75.0	53.8	57.1
Solve problem requested	75.0	53.8	57.1
Respond to demands--most	25.0	0.0	14.2
Respond to demands--very few	0.0	0.0	0.0
Respond to demands--none	0.0	0.0	0.0
Total*	175.0	115.2	156.8
No. of Respondents	4**	13**	7**
No. of Responses	7	15	11

*Total may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

**The number of respondents in the convenience, shopping, and specialty good cases above are insignificant, but they are included to show the lack of consumer awareness of public and private agencies as parties to whom a complaint may be directed.

TABLE 21

RESPONSES TO THE QUESTION: WHAT ACTION WOULD YOU
EXPECT (PREFER OR DESIRE) IF YOU COMPLAIN TO
THE STORE OR MANUFACTURER ABOUT PROBLEMS
THAT MAY LEAD TO MAJOR ECONOMIC LOSSES?

(in percent)

Responses \ Type of Good	Convenience (picture hangers)	Shopping (life ins.)	Specialty (refrig. leak)
Phone call	5.2	10.3	4.0
Letter	6.9	14.0	1.0
Personal visit	5.2	4.4	5.0
Substitute product	1.7	0.0	0.0
Repair product	9.5	0.0	64.9
Refund	24.3	9.6	12.1
Replacement	33.9	0.0	56.8
Pressure on seller	4.3	13.3	.5
Replace/repair picture	45.2	0.0	0.0
Policy payment settlement	0.0	56.2	0.0
Check policy to see if active	0.0	2.9	0.0
Replace/repair/ compensate	0.0	0.0	53.2
Don't know	9.5	5.1	.5
Total*	145.7	115.8	198.0
No. of Respondents	115	135	197
No. of Responses	168	157	391

*Totals may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

TABLE 22

RESPONSES TO THE QUESTION: HOW LONG WOULD YOU
EXPECT A RESPONSE TO TAKE ABOUT PROBLEMS THAT
MAY LEAD TO MAJOR ECONOMIC LOSSES?

(in percent)

Responses \ Type of Good	Convenience (picture hangers)	Shopping (life ins.)	Specialty (refrig. leak)
0 - 1 week	40.1	18.5	54.7
2 - 3 weeks	17.2	13.5	17.0
4 - 6 weeks	4.9	5.5	4.0
7 weeks or more	9.8	17.0	9.5
Don't know	27.8	45.7	14.5
Total*	99.8	100.2	99.7
No. of Respondents	122	199	199
No. of Responses	122	200	199

*Totals may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

Conclusions About Major Economic Loss

These three cases (defective picture hangers, life insurance, and refrigerator leak) have shown the preferences of respondents in regard to action expected (preferred or desired) if they complained to a public or private agency or if they complained to the store or manufacturer as it relates to major economic loss. Tables 20, 21, and 22 relate to research question number three. The three cases have also shown the preferences of respondents in regard to how long they think a response should take.

All three cases (convenience, shopping, and specialty) showed that very few respondents would prefer to complain to a public or private agency. This fact is reflected by the small number of respondents shown in Table 20. Among those respondents who did prefer to complain to a public or private agency, the most frequently preferred action expectation was for the public or private agency to exert pressure on the business firm or solve their problem as requested. This trend was found in the convenience good case, shopping good case, and specialty good case.

The majority of respondents would prefer to complain to the store or manufacturer. This fact is reflected by the large number of respondents found in Table 21. The action expected by respondents from the store or manufacturer varied considerably among the three cases. No common action expectation was found to rank highest among

all three cases (convenience, shopping, and specialty).

Also no common trend was found among the three cases as to how long respondents expected a response to take.

Health-Safety Problem

As in the previous two categories, minor economic loss and major economic loss, three hypothetical case problems were posed to respondents for the health-safety category. Each case closely resembled the convenience, shopping, and specialty good approach used previously.

The questions asked for each type of good were stated in Chapter Three.

The treatment of health-safety problems in Chapter Five focuses on the following questions:

1. What action would you expect (prefer or desire) if you complained to a public or private agency?
2. What action would you expect (prefer or desire) if you complained to the store or manufacturer?
3. How long would you expect the response to take?

Tables 23, 24, and 25 relate to research question number three. As Table 23 shows, nearly 8 percent of 26 respondents would expect a phone call from a public or private agency in the convenience good case (soft drink with lye in it). Nearly 4 percent would expect a letter from a public or private agency in the convenience good case. Almost 4 percent would expect a personal visit from a public or private agency in the convenience good case. Nearly 31 percent would expect the public or pri-

vate agency to exert pressure on the business firm in the convenience good case. And nearly 27 percent would expect a public or private agency to solve their problem as requested in the convenience good case. Almost 8 percent would expect a public or private agency to respond to most of their demands in the convenience good case. Fifteen percent would expect a public or private agency to inspect or recall the bottles in the convenience good case. Almost 8 percent would expect a public or private agency to get the health department to investigate in the convenience good case. Nearly 4 percent would expect a public or private agency to close the bottler down in the convenience good case. Nearly 8 percent gave a don't know answer when asked what action they would expect if they complained to a public or private agency in the convenience good case.

Table 24 shows that nearly 10 percent of 145 respondents would expect a telephone call from the store or manufacturer in the convenience good case (soft drink with lye in it). Almost 8 percent would expect a letter from the store or manufacturer in the convenience good case. Nearly 8 percent would expect a personal visit from the store or manufacturer in the convenience good case. And nearly 6 percent would expect a refund from the store or manufacturer in the convenience good case. Nearly 12 percent would expect pressure to be exerted on the seller in the convenience good case. Almost 54 percent would expect some form of monetary settlement from the store or manufacturer in

the convenience good case. Nearly 8 percent would expect an investigation of the bottler in the convenience good case. Thirteen percent gave a don't know answer when asked what action they would expect from the store or manufacturer in the convenience good case.

As Table 25 shows, nearly 42 percent of 181 respondents would expect a response to take 1 week in the convenience good case (soft drink). Almost 13 percent would expect a response to take from 2 to 3 weeks in the convenience good case. Six percent would expect a response to take from 4 to 6 weeks in the convenience good case. Nearly 9 percent would expect a response to take 7 weeks or more in the convenience good case. And 30 percent gave a don't know answer when asked how long a response should take in the convenience good case.

As Table 23 shows, 22 percent of nine respondents would expect a telephone call from a public or private agency in the shopping good case (color t.v.). Forty-four percent would expect a public or private agency to exert pressure on the business firm in the shopping good case. And 44 percent would expect a public or private agency to solve their problem as requested in the shopping good case. Eleven percent would expect a public or private agency to offer investigation or protection in the shopping good case. And 11 percent gave a don't know answer when asked what action they would expect if they complained to

a public or private agency in the shopping good case.

As Table 24 shows, nearly 4 percent of 203 respondents would expect a telephone call from the store or manufacturer in the shopping good case (color t.v.). Nearly 9 percent would expect a personal visit from the store or manufacturer in the shopping good case. Forty-nine percent would expect the store or manufacturer to repair the product in the shopping good case. And nearly 24 percent would expect a refund from the store or manufacturer in the shopping good case. Seventy-five percent would expect a replacement from the store or manufacturer in the shopping good case.

Table 25 shows that nearly 82 percent of 207 respondents would expect a response within one week in the shopping good case. Four percent would expect a response to take from 2 to 3 weeks in the shopping good case. One percent would expect a response to take 7 weeks or more in the shopping good case. And 7 percent gave a don't know answer when asked how long a response should take in the shopping good case.

As Table 23 further shows, nearly 50 percent of 6 respondents would expect a public or private agency to exert pressure on the business firm in the specialty good case (wrist watch that causes rash). And nearly 67 percent would expect a public or private agency to solve their problem as requested in the specialty good case.

As Table 24 shows, 3 percent of 119 respondents would expect a telephone call from the store or manufacturer in the specialty good case (wrist watch that causes rash). Nearly 11 percent would expect a personal visit from the store or manufacturer in the specialty good case. Eight percent would expect the store or manufacturer to substitute the product in the specialty good case. Nearly 7 percent would expect the store or manufacturer to repair the product in the specialty good case. Almost 53 percent would expect a refund from the store or manufacturer in the specialty good case. Fifty-six percent would expect a replacement from the store or manufacturer in the specialty good case. Nearly 8 percent would expect the store or manufacturer to pay their medical expenses in the specialty good case. Five percent gave a don't know answer when asked what action they would expect from the store or manufacturer in the specialty good case.

Table 25 shows that 55 percent of 134 respondents would expect a response within one week in the specialty good case. Twelve percent would expect a response to take from 2 to 3 weeks in the specialty good case. And 5 percent would expect a response to take from 4 to 6 weeks in the specialty good case. Nearly 6 percent would expect a response to take 7 weeks or more in the specialty good case. Twenty-two percent gave a don't know answer when asked how long a response should take in the specialty good case.

TABLE 23

RESPONSES TO THE QUESTION: WHAT ACTION WOULD YOU
EXPECT (PREFER TO DESIRE) IF YOU COMPLAINED
TO A PUBLIC OR PRIVATE AGENCY ABOUT
PROBLEMS THAT MAY ENDANGER YOUR
HEALTH OR SAFETY?

(in percent)

Responses	Type of Good	Convenience (soft drink)	Shopping (color t.v.)	Specialty (wrist watch)
Phone call		7.6	22.2	0.0
Letter		3.8	0.0	0.0
Personal visit		3.8	0.0	0.0
Pressure on business		30.7	44.4	49.9
Solve problem re- quested		26.9	44.4	66.6
Respond to demands-- most		7.6	0.0	0.0
Respond to demands-- very few		0.0	0.0	0.0
Respond to demands-- none		0.0	0.0	0.0
Inspect/recall bottles		15.3	0.0	0.0
Health dept. inves- tigate		7.6	0.0	0.0
Close bottler down		3.8	0.0	0.0
Investigation/ protection		0.0	11.1	0.0
Don't know		7.6	11.1	0.0
Total*		114.7	133.2	116.5
No. of Respondents		26**	9**	6**
No. of Responses		30	12	7

*Total may not all to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

**The number of respondents in the convenience, shopping, and specialty good cases is insignificant, but they are included to show the lack of consumer awareness of public and private agencies as parties to whom to complain.

TABLE 24

RESPONSES TO THE QUESTION: WHAT ACTION WOULD YOU
EXPECT (PREFER TO DESIRE) IF YOU COMPLAINED
TO THE STORE OR MANUFACTURER ABOUT
PROBLEMS THAT MAY ENDANGER
YOUR HEALTH OR SAFETY?

(in percent)

Responses \ Type of Good	Convenience (soft drink)	Shopping (color t.v.)	Specialty (wrist watch)
Phone call	9.6	3.9	1.6
Letter	7.5	1.9	3.3
Personal visit	7.5	8.8	10.9
Substitute product	0.0	.9	8.4
Repair Product	0.0	49.2	6.7
Refund	5.5	23.6	52.9
Replacement	1.3	75.8	56.3
Pressure on seller	11.7	0.0	1.6
Monetary settlement	53.7	0.0	0.0
Investigate/inspect manufacturer	7.5	0.0	0.0
Other reasons	.6	0.0	0.0
Pay medical expenses	0.0	0.0	7.5
Find out cause of rash	0.0	0.0	.8
Don't know	13.1	.4	5.0
Total*	118.0	164.5	155.0
No. of Respondents	145	203	119
No. of Responses	172	335	185

*Total may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

TABLE 25

RESPONSES TO THE QUESTION: HOW LONG WOULD YOU
EXPECT A RESPONSE TO TAKE ABOUT PROBLEMS
THAT MAY ENDANGER YOUR HEALTH OR SAFETY?

(in percent)

Responses \ Type of Good	Convenience (soft drink)	Shopping (color t.v.)	Specialty (wrist watch)
0 - 1 week	41.9	81.6	55.2
2 - 3 weeks	12.7	4.3	11.9
4 - 6 weeks	6.0	1.4	5.2
7 weeks or more	8.8	5.3	5.9
Don't know	30.3	7.2	21.6
Total*	99.7	99.8	99.8
No. of Respondents	181	207	134
No. of Responses	181	207	134

*Total may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

Conclusions About the Health-Safety Problem

These three cases (soft drink, color t.v., and wrist watch) have shown the preferences of respondents in regard to action expected (preferred or desired) if they complained to a public or private agency or if they complained to the store or manufacturer as it relates to health-safety problems. Tables 23, 24, and 25 relate to research question number three. The three cases have also shown respondent preferences in regard to how long they think a response should take.

All three cases showed that very few respondents would prefer to complain to a public or private agency. This fact is reflected by the small number of respondents shown in Table 23. Among those respondents who did prefer to complain to a public or private agency, the most frequently preferred action expectation was for the public or private agency to exert pressure on the business firm or solve their problem as requested. This trend was found in the convenience good case, shopping good case, and specialty good case.

Also all three cases (soft drink, color t.v., and wrist watch) showed that the majority of respondents would prefer to complain to the store or manufacturer. This fact is reflected by the large number of respondents found in Table 24. The action expected by respondents from the store or manufacturer varied considerably between

the three cases. The action expectation most preferred from the store or manufacturer in the convenience good case (soft drink) was a monetary settlement (nearly 54 percent of 145 respondents). The action expectation most preferred from the store or manufacturer in the shopping and specialty good cases was a replacement of the product (76 percent in the shopping good case as compared to 56 percent in the specialty good case).

Most respondents expected a response within one week in all three cases. Nearly 42 percent of 181 respondents would expect a response within one week in the convenience good case (soft drink). And by comparison, nearly 82 percent of the respondents expected a response within one week in the shopping good case, and 55 percent of the respondents expected a response within one week in the specialty good case.

Inconvenience Problem

As in the three previous categories (minor economic loss, major economic loss, and health-safety problem) three hypothetical case problems were posed to respondents for the inconvenience category. The case problems corresponded closely to the traditional method of classification used for consumer goods (convenience, shopping, and specialty). The questions asked for each type of good were stated in Chapter Three.

The treatment of the inconvenience category in Chap-

Five will focus on the following questions:

1. What action would you expect (prefer or desire) if you complained to a public or private agency?
2. What action would you expect (prefer or desire) if you complained to the store or manufacturer?
3. How long would you expect the response to take?

Tables 26, 27, and 28 relate to research question number three. As Table 26 shows, nearly 6 percent of 17 respondents would expect a telephone call from a public or private agency in the convenience good case (fruit cakes). Nearly 12 percent would expect a letter from a public or private agency in the convenience good case. Thirty-five percent would expect a public or private agency to exert pressure on the business firm in the convenience good case. Forty-seven percent would expect a public or private agency to solve their problem as requested in the convenience good case. And 12 percent gave a don't know answer when asked what action they would expect from a public or private agency in the convenience good case.

As Table 27 shows, nearly 12 percent of 173 respondents would expect a telephone call from the store or manufacturer in the convenience good case (fruit cakes). And 12 percent would expect a letter from the store or manufacturer in the convenience good case. Nearly 7 percent would expect the store or manufacturer to substitute the product in the convenience good case. Seventy-one percent would expect a refund from the store or manufacturer in the convenience good case. Twelve percent

would expect a replacement of the product from the store or manufacturer in the convenience good case. Four percent would expect the manufacturer to exert pressure on the store in the convenience good case.

As Table 28 shows, 54 percent of 184 respondents would expect a response within one week in the convenience good case (fruit cakes). Twenty-one percent would expect a response to take from 2 to 3 weeks in the convenience good case. Four percent would expect a response to take from 4 to 6 weeks in the convenience good case. Ten percent would expect a response to take 7 weeks or more in the convenience good case. Nearly 10 percent gave a don't know answer when asked how long a response should take in the convenience good case.

Also Table 26 shows that 18 percent of 22 respondents would expect a phone call from a public or private agency in the shopping good case (stereo ordered). Nine percent would expect a letter from a public or private agency in the shopping good case. Eighteen percent would expect a public or private agency to exert pressure on the business firm in the shopping good case. Sixty-eight percent would expect a public or private agency to solve their problem as requested in the shopping good case.

As Table 27 shows, nearly 17 percent of 143 respondents would expect a phone call from the store or manufacturer in the shopping good case (stereo ordered).

Nearly 38 percent would expect a letter from the store or manufacturer in the shopping good case. Eight percent would expect the manufacturer to exert pressure on the seller in the shopping good case. Nearly 12 percent would expect the store (mail-order house) to recheck their credit in the shopping good case. And nearly 35 percent would expect the store (mail-order house) to straighten out their credit in the shopping good case. Nine percent would expect an apology from the store (mail-order house) in the shopping good case.

As Table 28 shows, 30 percent of 163 respondents would expect a response within one week in the shopping good case (stereo ordered). Nearly 36 percent would expect a response to take from 2 to 3 weeks in the shopping good case. And nearly 7 percent would expect a response to take from 4 to 6 weeks in the shopping good case. Almost 9 percent would expect a response to take 7 weeks or more in the shopping good case. Nineteen percent gave a don't know answer when asked how long a response should take in the shopping good case.

Further, Table 26 shows that 40 percent of 5 respondents would expect a public or private agency to exert pressure on the business firm in the specialty good case (car ordered). Twenty-five percent would expect a public or private agency to solve their problem as requested in the specialty good case. And 40 percent gave a don't know

answer when asked what action they would expect from a public or private agency in the specialty good case.

As Table 27 shows, 21 percent of 165 respondents would expect a phone call from the store or manufacturer in the specialty good case (car ordered). Eight percent would expect a letter from the store (car dealer) or manufacturer in the specialty good case. And 5 percent would expect a personal visit from the store (car dealer) or manufacturer in the specialty good case. Nearly 4 percent would expect the store (car dealer) or manufacturer to substitute the product in the specialty good case. Twenty-nine percent would expect a refund from the store (car dealer) or manufacturer in the specialty good case. Ten percent would expect pressure to be exerted on the seller in the specialty good case. Nearly 15 percent would cancel the order and contract in the specialty good case. And nearly 17 percent would expect a speedup in the delivery date in the specialty good case. Five percent would expect the delivery date to be as promised by the store (dealer) in the specialty good case.

As Table 28 shows, nearly 50 percent of 183 respondents would expect a response within a week in the specialty good case. Nineteen percent would expect a response to take from 2 to 3 weeks in the specialty good case. Six percent would expect a response to take from 4 to 6 weeks in the specialty good case. And 6 percent would expect

a response to take 7 weeks or more in the specialty good case. Nineteen percent gave a don't know answer when asked how long a response should take in the specialty good case.

TABLE 26

RESPONSES TO THE QUESTION: WHAT ACTION WOULD YOU
EXPECT (PREFER OR DESIRE) IF YOU COMPLAINED TO
A PUBLIC OR PRIVATE AGENCY ABOUT PROBLEMS
THAT INVOLVE INCONVENIENCE?

(in percent)

Responses \ Type of Good	Convenience (fruit cakes)	Shopping (stereo)	Specialty (car ordered)
Phone call	5.8	18.1	0.0
Letter	11.7	9.0	0.0
Personal visit	0.0	0.0	0.0
Pressure on business	35.2	18.1	40.0
Solve problem re- quested	47.0	68.1	20.0
Respond to demands-- most	0.0	0.0	0.0
Respond to demands-- very few	0.0	0.0	0.0
Respond to demands-- none	0.0	0.0	0.0
Don't know	11.7	4.5	40.0
Total*	111.4	117.8	100.0
No. of Respondents	17**	22**	5**
No. of Responses	19	26	5

*Total may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

**The number of respondents in the convenience, shopping, and specialty good cases above is insignificant, but they are included to show the lack of consumer awareness of public and private agencies as parties to whom a complaint may be directed.

TABLE 27

RESPONSES TO THE QUESTION: WHAT ACTION WOULD YOU
EXPECT (PREFER TO DESIRE) IF YOU COMPLAINED TO
THE STORE OR MANUFACTURER ABOUT PROBLEMS
THAT INVOLVE INCONVENIENCE?

(in percent)

Responses \ Type of Good	Convenience (fruit cakes)	Shopping (stereo)	Specialty (car ordered)
Phone call	11.5	16.7	21.2
Letter	12.1	37.7	8.4
Personal visit	2.3	0.0	5.4
Substitute product	6.9	0.0	3.6
Repair product	.5	.6	0.0
Refund	71.0	2.0	29.0
Replacement	12.1	2.0	1.8
Pressure on seller	4.0	8.3	10.3
Improve success on future orders	2.8	0.0	0.0
Expect nothing	1.1	0.0	0.0
Recheck credit	0.0	11.8	0.0
Straighten out credit	0.0	34.9	0.0
Apology	0.0	9.0	0.0
Delivery	0.0	1.3	0.0
Cancel order/ contract	0.0	0.0	14.5
Expect speedup in delivery	0.0	0.0	16.9
Expect delivery date	0.0	0.0	4.8
Don't know	0.0	4.8	9.6
Total*	129.5	129.1	125.5
No. of Respondents	173	143	165
No. of Responses	225	186	208

*Total may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

TABLE 28

RESPONSES TO THE QUESTION: HOW LONG WOULD YOU
EXPECT A RESPONSE TO TAKE ABOUT PROBLEMS
THAT INVOLVE INCONVENIENCE?

(in percent)

Responses \ Type of Good	Convenience (fruit cakes)	Shopping (stereo)	Specialty (car ordered)
0 - 1 week	54.3	30.0	49.7
2 - 3 weeks	21.1	35.5	19.1
4 - 6 weeks	4.3	6.7	6.0
7 weeks or more	10.3	8.5	6.0
Don't know	9.7	19.0	19.1
Total*	99.7	99.7	99.9
No. of Respondents	184	163	183
No. of Responses	184	163	183

*Totals may not add to 100 percent due to rounding and/or multiple responses; all percents based on respondents shown.

Conclusions About the Inconvenience Problem

These three cases (fruit cakes, stereo ordered, and car ordered) have shown the preferences of respondents about action expectations from the party to whom they have complained (public or private agency or store or manufacturer), and the cases have also shown respondents' preferences about how long a response should take. Tables 26, 27, and 28 relate to research question number three. The action expectation most frequently preferred by those respondents who complained to a public or private agency was for the public or private agency to exert pressure on the business firm or solve their problems as requested. Table 26 shows this trend in the convenience good case (fruit cakes), shopping good case (stereo ordered), and specialty good case (car ordered).

The action expectations preferred by those respondents who complained to the store or manufacturer varied considerably in all three cases. The action expectation preferred most by respondents in the convenience good case was for the store or manufacturer to give them a refund. In contrast, the action expectation preferred most by respondents in the shopping good case was for the store or manufacturer to send them a letter, and the action expectation preferred by most respondents in the specialty good case was for the store or manufacturer to give them a refund.

The preferences of respondents about how long a response should take did not vary considerably between the three cases. The convenience good and specialty good cases showed that the majority of respondents expected a response within one week, and by comparison, the majority of respondents in the shopping good case expected a response to take from 2 to 3 weeks.

Chapter Six presents the limitations of the study, summary and conclusions from the study, model development, hypothesis development, and suggestions for future research.

CHAPTER VI

LIMITATIONS OF THE RESEARCH, SUMMARY AND CONCLUSIONS, MODEL DEVELOPMENT, HYPOTHESES DEVELOPMENT, AND SUGGESTIONS FOR FUTURE RESEARCH

The purpose of this research was to conduct an exploratory study and analysis of consumer preferences and expectations of complaint processes. The study sought and determined descriptive answers to three basic research questions. These questions were:

1. What types of problems lead to a complaint?
2. What are the preferences of consumers as to procedures (mechanisms used to complain and parties to whom the complaint is directed) to follow in complaining?
3. What are the preferable expectations of consumers in the complaint process?

This chapter presents the limitations of the research. A summary of the survey findings is presented by means of a diagrammatic delineation of actual results and complaint patterns on a side-by-side basis. Conclusions are drawn from the survey findings. A graphic summary (complaint model) derived from the study is presented. Hypotheses (based on this study) are developed, and suggestions for future research are offered.

Limitations of the Research

As with any research endeavor, this study has cer-

tain limitations. The financial restrictions of the study did not permit a national survey. Rather, the survey was conducted in three Standard Metropolitan Statistical Areas in Central and Southeastern Virginia. By some researchers, this may be considered a limitation in that the findings from this study cannot be projected to the entire United States. The survey was conducted in this manner for the purpose of convenience.

Also, this study only considered two factors (product type and type of complaint) as measures of the propensity to complain. There are many other factors (e.g., price of the good, economic climate, consumer perception of the problem, etc.) that would be considered important measures of the propensity to complain. Since this research only considered two factors (product type and type of complaint) as measures of the propensity to complain, this could be viewed as a limitation to the study.

The methodology used in this study posed certain limitations and restrictions. First, the interviewing technique (telephone surveys) posed a limitation in that it was only possible to obtain expressed opinions from respondents about the twelve case problems (hypothetical situations posed to create a Minor Economic Loss, Major Economic Loss, Health-Safety Problem, and Inconvenience Problem). Because telephone interviews were the method used, it was only possible to obtain information

about what respondents "say" they would or would not do in a given situation. Generally, the use of telephone surveys poses a limitation in that the refusal rate among respondents is found to be high. However, this limitation was not experienced in this study because the firm that conducted the interviews guaranteed 400 (the sample size) completed interviews. Therefore, the refusal rate was not a major limitation in this study.

Another limitation of this research was the fact that consumer behavior was given very little emphasis as a major part of the complaint process. That is to say, no attention was given to identifying complainers from non-complainers, or why some persons have a propensity to complain while others do not.

It was not possible to use certain types of contingency tests (e.g., Chi-Square analysis) in this research because:

1. There was lack of statistical independence because of the mixing process used in the questionnaire. Questionnaires were mixed in a manner whereby each interviewee was given two cases of the four (minor economic loss, major economic loss, health-safety problem, and inconvenience problem) for each type of good (convenience, shopping, and specialty) in order to avoid bias due to the order of the cases in the interview and avoid bias due to the particular nature of the individual cases.
2. There were multiple responses within questions. Questions with multiple responses make the use of contingency tests difficult.
3. The expected frequencies within cells were not high enough.

4. There would have been a need for large (huge) sample sizes (about 12,000) in order to get minimum expected cell frequencies.
5. There were many open-ended questions. Open-ended questions create a coding problem, and therefore make the use of contingency tests difficult.

Neither the model developed (diagrammatic delineation of actual results and complaint patterns for the 12 cases) nor the hypotheses developed were empirically tested. That is to say, no tests were used whereby a hypothesis could be accepted or repeated based on a given level of statistical confidence. Other researchers may test these if they desire to do so.

Summary of the Survey Results

The general objective of this research was to conduct an exploratory study to determine consumer preferences and expectations of complaint processes and to seek descriptive answers to three basic research questions. These research questions were stated at the beginning of this chapter.

The summary that follows presents a diagrammatic delineation of actual results and complaint patterns for each of the twelve case problems on a side-by-side basis. These diagrams reflect the following: (1) whether respondents would or would not complain about a given case problem, (2) how respondents would prefer to complain (by mail, by telephone, or in person), and (3) to whom a respondent would prefer to complain (vendor, public agency,

private agency, or the producer).

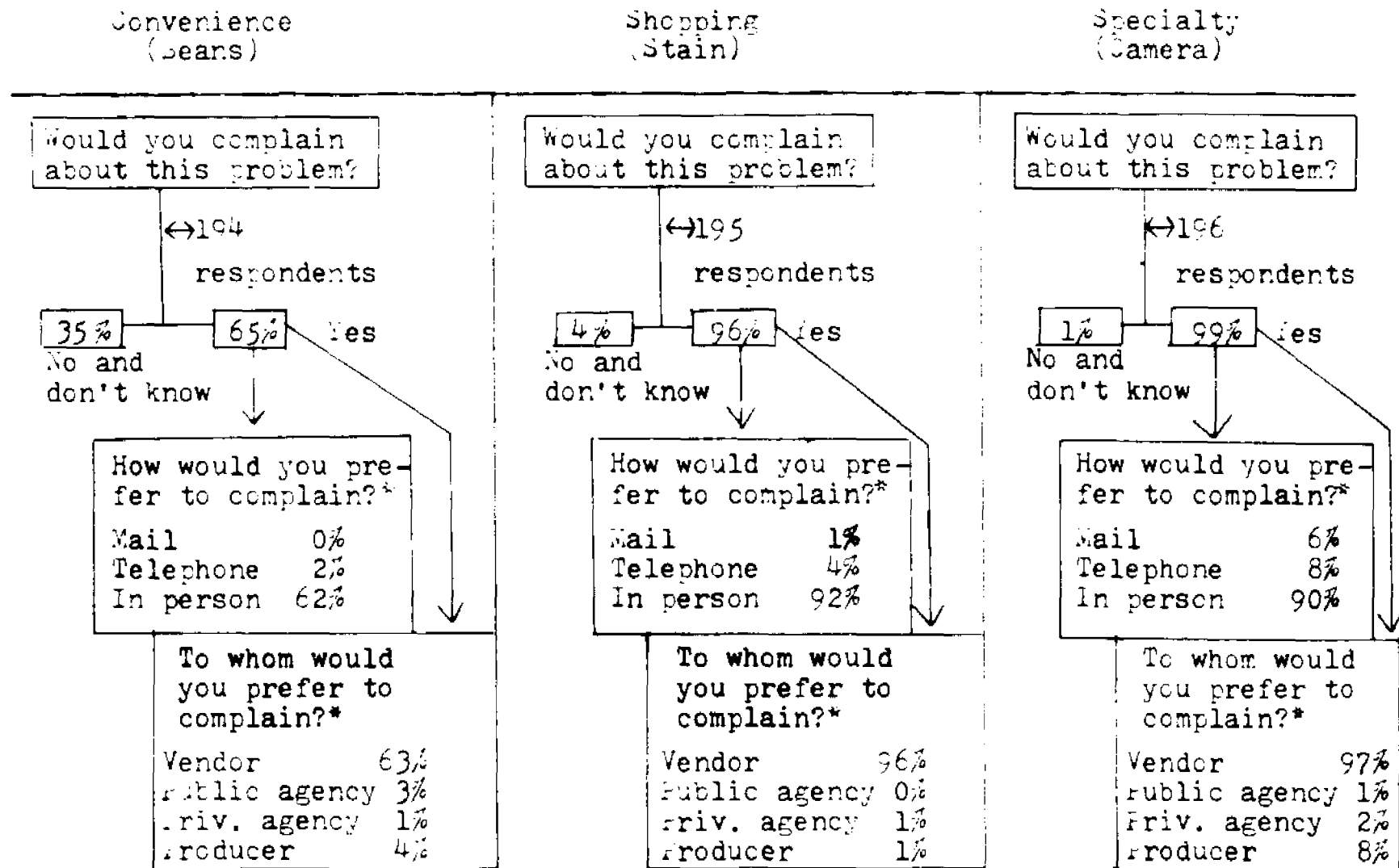
Figure 1 presents a side-by-side delineation of actual results and complaint patterns of respondents for the Minor Economic Loss category as it relates to research questions one and two. 65 percent of 194 respondents would complain about the convenience good (can of beans half full) case and 35 percent would not complain. Of the 65 percent who would choose to complain about the convenience good case, sixty-two percent would prefer to complain in person, and only 2 percent would prefer to complain by telephone. Sixty-three percent of the respondents would prefer to complain to the vendor in the convenience good case.

Figure 1 also shows that 96 percent of 195 respondents would complain about the shopping good (stain on garment) case and 4 percent would not complain. Of the 96 percent who would complain about the shopping good case, 92 percent would prefer to complain in person and 4 percent by telephone. Ninety-six percent of the respondents would prefer to complain to the vendor in the shopping good case.

Further Figure 1 shows that 99 percent of 196 respondents would choose to complain about the specialty good (camera that loses trigger) case and 1 percent would not complain. Of the 99 percent who would complain about the specialty good case, ninety percent would prefer to complain in person, 8 percent by telephone, and 6 percent by mail. Ninety-seven percent of the respondents would prefer

to complain to the vendor in the specialty good case, and 8 percent would prefer to complain to the producer in the specialty good case.

Fig. 1. A diagrammatic delineation of actual results and complaint patterns for Minor Economic Loss



*Totals may not equal same percent as yes answers due to rounding and/or multiple responses; all percents based on respondents shown.

Figure 2 presents a side-by-side delineation of actual results and complaint patterns of respondents for the Major Economic Loss category as it relates to research questions one and two. As Figure 2 shows, 60 percent of 204 respondents would complain about the convenience good (defective picture hangers) case and 40 percent would not complain. Of the 60 percent who would complain in the convenience good case, forty-one percent would prefer to complain in person, 13 percent would prefer to complain by mail, and 7 percent would prefer to complain by telephone. Fifty-two percent would prefer to complain to the vendor, and 14 percent would prefer to complain to the producer in the convenience good case.

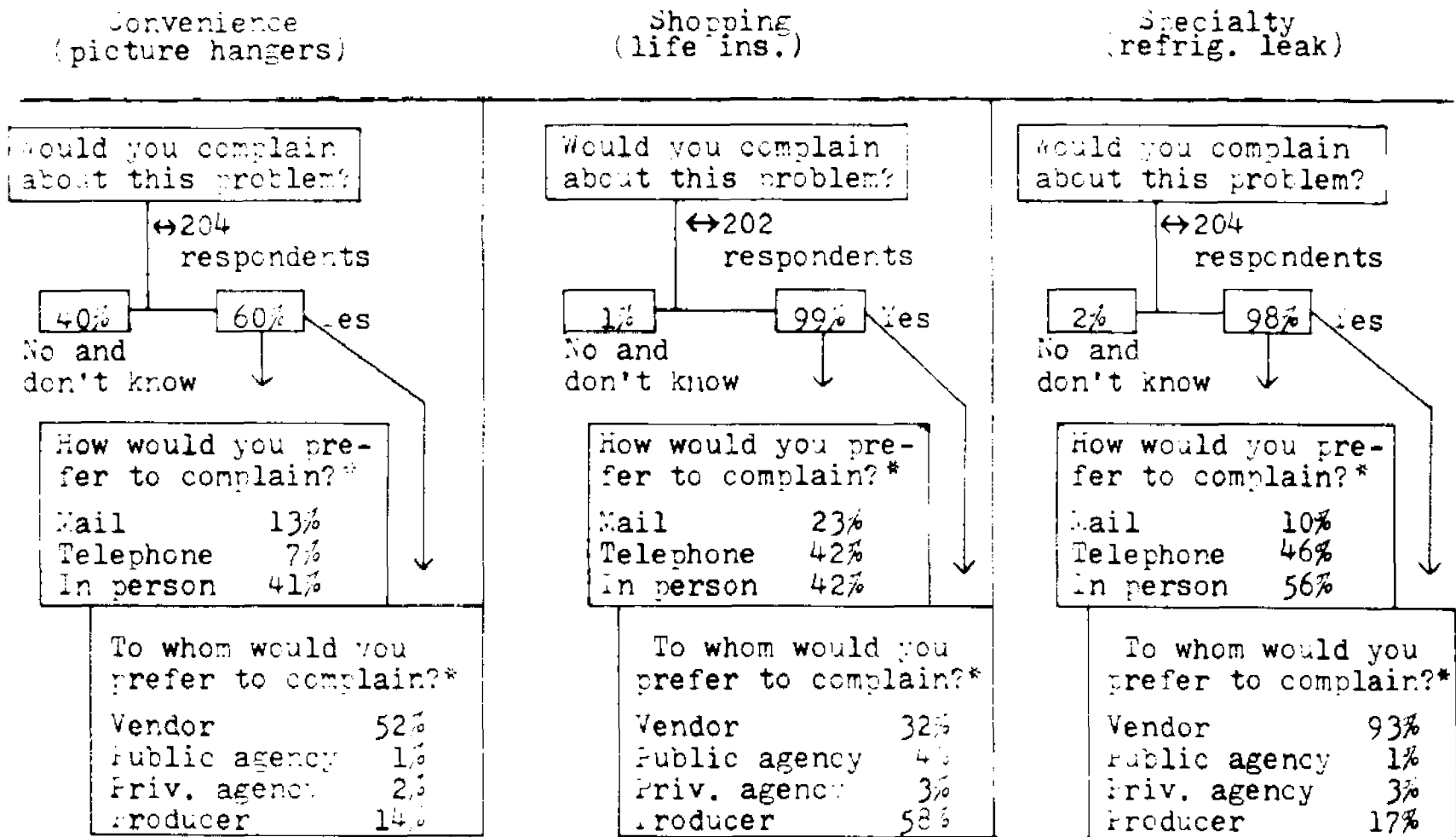
Figure 2 also shows that 99 percent of 202 respondents would choose to complain about the shopping good (life insurance) case and 1 percent would not complain.

Of the 99 percent who would complain in the shopping good case, forty-two percent would prefer to complain in person, 42 percent would prefer to complain by telephone, and 23 percent would prefer to complain by mail. Fifty-eight percent of the respondents would prefer to complain to the producer, and 32 percent would prefer to complain to the vendor in the shopping good case.

Further, Figure 2 shows that 98 percent of 204 respondents would complain about the specialty good (refrigerator leak) case and 2 percent would not complain. Of

the 98 percent who would complain about the specialty good case, fifty-six percent would prefer to complain in person, 46 percent would prefer to complain by telephone, and 10 percent would prefer to complain by mail. Ninety-three percent of the respondents would prefer to complain to the vendor, and 17 percent would prefer to complain to the producer in the specialty good case.

Fig. 2. A diagrammatic delineation of actual results and complaint patterns for Major Economic Loss



*Totals may not equal same percent as yes answers due to rounding and/or multiple responses; all percents based on respondents shown.

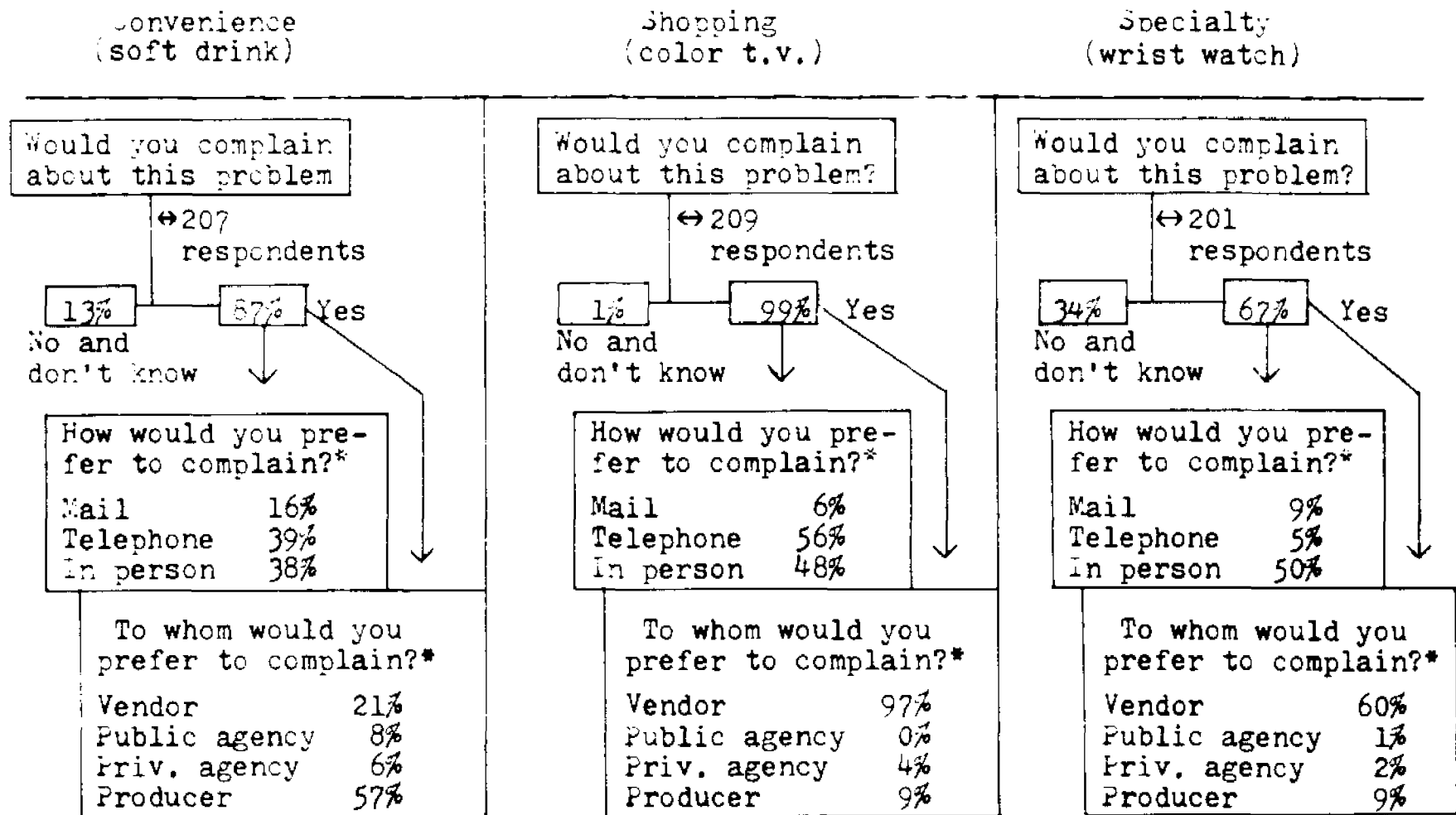
Figure 3 presents a side-by-side delineation of actual results and complaint patterns of respondents for the health-safety category as it relates to research questions one and two. As Figure 3 shows, 87 percent of 207 respondents would complain about the convenience good (soft drink with lye in it) case and 13 percent would not complain. Of the 87 percent who would complain about the convenience good case, sixteen percent would prefer to complain by mail, 39 percent would prefer to complain by telephone, and 38 percent would prefer to complain in person. Twenty-one percent would prefer to complain to the vendor, and 57 percent would prefer to complain to the producer in the convenience good case.

Figure 3 also shows that 99 percent of 209 respondents would complain about the shopping good (color t.v.) case and 1 percent would not complain. Of the 99 percent who would complain about the shopping good case, six percent would prefer to complain by mail, 56 percent would prefer to complain by telephone, and 48 percent would prefer to complain in person. Ninety-seven percent would prefer to complain to the vendor, and 2 percent would prefer to complain to the producer in the shopping good case.

Further, Figure 3 shows that 67 percent of 201 respondents would complain about the specialty good (wrist watch that causes rash) case and 33 percent would not complain. Of the 67 percent who would complain in the specialty good case, nine percent would prefer to complain by mail, 5 per-

cent would prefer to complain by telephone, and 50 percent would prefer to complain in person. Sixty percent would prefer to complain to the vendor, and 9 percent would prefer to complain to the producer in the specialty good case.

Fig. 3. A diagrammatic delineation of actual results and complaint patterns for Health-Safety Problems



*Total may not equal same percent as yes answers due to rounding and/or multiple responses; all percents based on respondents shown.

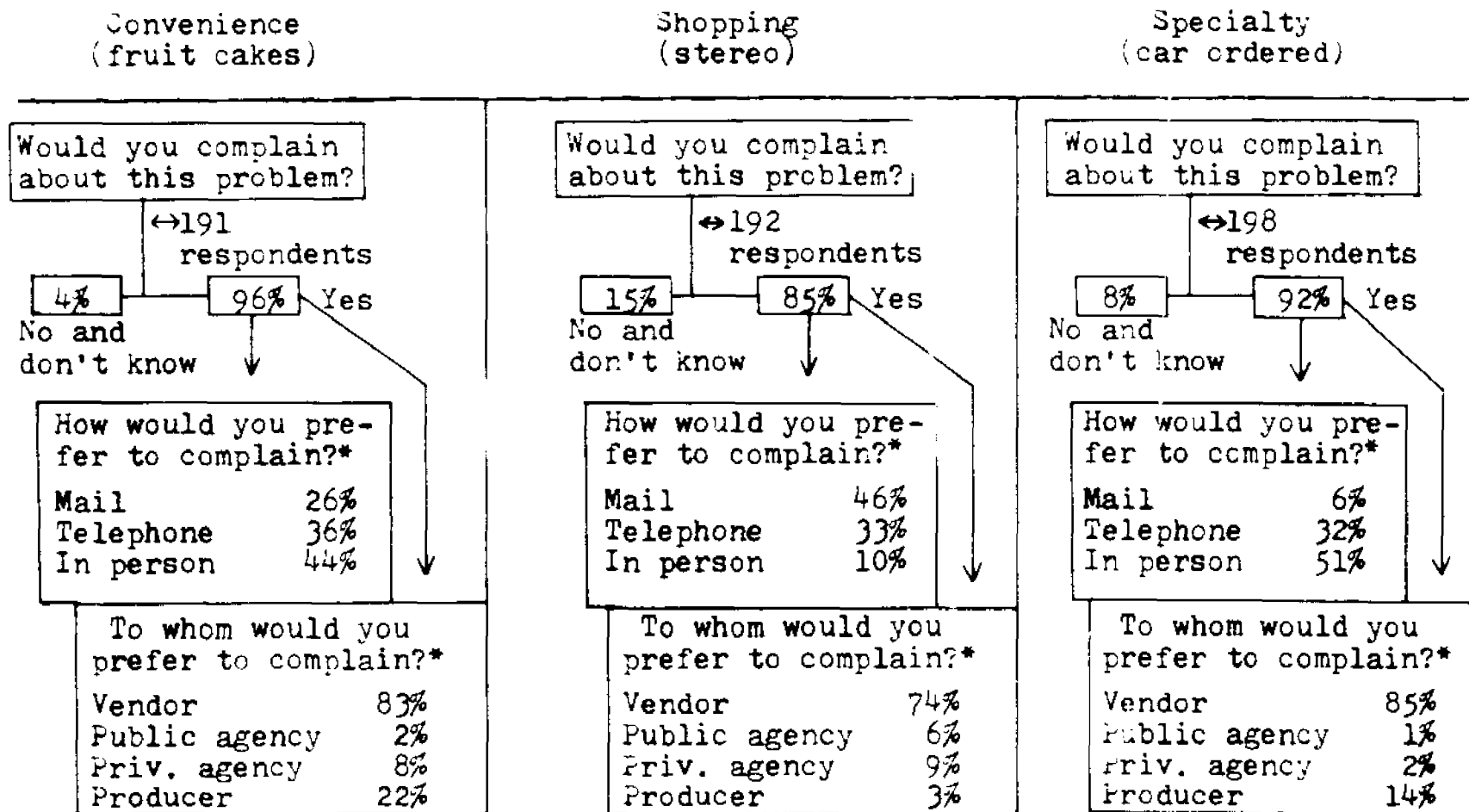
Figure 4 presents a side-by-side delineation of actual results and complaint patterns of respondents for the inconvenience category as it relates to research questions one and two. As Figure 4 shows, 96 percent of 191 respondents would complain about the convenience good (fruit cakes) case and 4 percent would not complain. Of the 96 percent that would complain about the convenience good case, twenty-six percent would prefer to complain by mail, 36 percent would prefer to complain by telephone, and 44 percent would prefer to complain in person. Eighty-three percent would prefer to complain to the vendor, and 22 percent would prefer to complain to the producer in the convenience good case.

Figure 4 also shows that 85 percent of 192 respondents would complain about the shopping good (stereo ordered) case and 15 percent would not complain. Of the 85 percent who would complain about the shopping good case, forty-six percent would prefer to complain by mail, 33 percent would prefer to complain by telephone, and 10 percent would prefer to complain in person. Seventy-four percent would prefer to complain to the vendor; 6 percent would prefer to complain to a public agency; 7 percent would prefer to complain to a private agency; and 3 percent would prefer to complain to the producer in the shopping good case.

Further, Figure 4 shows that 92 percent of 198 respondents would complain about the specialty good (car ordered)

case and 8 percent would not complain. Of the 92 percent that would complain about the specialty good case, six percent would prefer to complain by mail, 32 percent would prefer to complain by telephone, and 51 percent would prefer to complain in person. Eighty-five percent would prefer to complain to the vendor, and 14 percent would prefer to complain to the producer in the specialty good case.

Fig. 4. A diagrammatic delineation of actual results and complaint patterns for Inconvenience Problems



*Totals may not equal same percent as yes answers due to rounding and/or multiple responses; all percents based on respondents shown.

Conclusions from the Survey Results

As previously stated, this study sought and determined descriptive answers to three broad and basic research questions. These research questions were stated at the beginning of this chapter.

This research has shown that all types of problems (within the confines of the study) will lead to a complaint. Table 29 relates to research question number one. As Table 29 shows, the propensity to complain in each of the twelve cases is high, and the propensity to complain was greater than the propensity not to complain. The cases ranged in scope from a can of beans half full to an expensive car that was not delivered on time. Product type (e.g., convenience goods, shopping goods, and specialty goods) has a significant bearing on the propensity to complain. Table 29 shows that the propensity to complain about shopping goods and specialty goods is greater than the propensity to complain about convenience goods. The type of complaint (e.g., minor economic loss, major economic loss, health-safety problems, and inconvenience problems) also has a significant bearing on the propensity to complain. As Table 29 shows, the propensity to complain about convenience good problems increases with the type of complaint (with the exception of the Major Economic Loss category). Table 29 also shows that the type of complaint (e.g., Major Economic Loss, Minor Economic Loss, Health-Safety Problems,

and Inconvenience Problems) has less bearing on the propensity to complain for shopping goods than was found for convenience goods. That is to say, the propensity to complain is found to be high for shopping goods regardless of the type of complaint. Further, Table 29 shows that type of complaint also has less bearing on the propensity to complain in the specialty good category. Here also the propensity to complain is found to be high with the exception of the health-safety problem (in which the propensity to complain is 67 percent). However, Table 29 shows that the type of complaint does have a significant bearing on the propensity to complain for specialty goods in the minor and major economic loss categories. Here the propensity to complain (99 percent for minor economic loss, and 98 percent for major economic loss) is higher than that found for the health-safety problem or inconvenience problem in the specialty good category. Thus, Table 29 has shown that: (1) all types of problems in this study lead to a complaint; (2) the propensity to complain was greater than the propensity not to complain; (3) product type has a significant bearing on the propensity to complain; and (4) type of complaint has a significant bearing on the propensity to complain.

TABLE 29

SUMMARY OF POSITIVE RESPONSES TO THE QUESTION: WOULD YOU COMPLAIN ABOUT THIS PROBLEM? (THAT MAY LEAD TO MINOR ECONOMIC LOSSES, THAT MAY LEAD TO MAJOR ECONOMIC LOSSES, THAT MAY ENDANGER YOUR HEALTH OR SAFETY, OR THAT INVOLVE INCONVENIENCE?)

	Convenience	Shopping	Specialty
Minor Economic Loss	(Beans) 65%	(Stain) 96%	(Camera) 99%
Major Economic Loss	(Picture hangers) 60%	(Life ins.) 99%	(Refrigerator leak) 98%
Health-Safety Problems	(Soft drink) 87%	(Color t.v.) 99%	(Wrist watch) 67%
Inconvenience Problems	(Fruit cakes) 96%	(Stereo) 85%	(Car ordered) 92%

The reasons offered by respondents for choosing not to complain varied considerably among the twelve cases. Table 30 relates to research question number one. Table 30 shows the reasons given by respondents for choosing not to complain about each case. When viewed by type of good (e.g., convenience, shopping, and specialty), Table 30 shows that respondents felt that the case problems were unworthy of a complaint in the convenience category in three of the four cases. Table 30 shows that the reasons most offered by respondents for choosing not to complain about shopping goods was that it was too much trouble (in 3 of the 4 cases). Further, Table 30 shows that the reason most offered by respondents for not complaining about specialty goods was that nothing could be done for them (in 3 of 4 cases). When viewed by type of complaint (e.g., minor economic loss, major economic loss, health-safety problems, and inconvenience problems), Table 30 shows that the reasons most offered for choosing not to complain about minor economic loss was that it was too much trouble. Table 30 shows also that the reasons most offered by respondents for choosing not to complain in the major economic loss category was that nothing could be done for them or they did not know why they would not complain.

Further, Table 30 shows that the reasons most offered by respondents for choosing not to complain about the health-safety problems was that it was too much trouble

(in 2 of the 3 cases). And Table 30 shows that the reasons most frequently offered by respondents for choosing not to complain about the inconvenience problems was that the problem was unworthy of a complaint or the respondents did not know for what reasons they would choose not to complain. Thus, Table 30 has shown that the reasons offered by respondents for choosing not to complain about each case problem were found to be divergent.

TABLE 30

SUMMARY OF PRIMARY RESPONSES TO THE QUESTION: FOR WHAT REASONS WOULD YOU CHOOSE NOT TO COMPLAIN? (ABOUT MINOR ECONOMIC LOSSES, ABOUT MAJOR ECONOMIC LOSSES, ABOUT HEALTH-SAFETY PROBLEMS, AND ABOUT INCONVENIENCE PROBLEMS)

	Convenience	Shopping	Specialty
Minor Economic Loss	(Beans) Too much trouble 26% Unworthy of complaint 59%	(Stain) Too much trouble 29% Should have checked before 29%	(Camera) Don't know 100%
Major Economic Loss	(Picture hangers) My own fault 60% Unworthy of complaint 27%	(Life ins.) Nothing can be done 33% Don't know to whom to complain 33% Don't know 33%	(Refrig. leak) Nothing can be done 60% Don't know 40%
Health-Safety Problems	(Soft drink) Don't know 32% Too much trouble 28%	(Color t.v.) Too much trouble 100%	(Wrist watch) Nothing can be done 66% Unworthy of complaint 28%
Inconvenience Problem	(Fruit cakes) Unworthy of complaint 57% Don't know 29%	(Stereo) Don't know 39% Too much trouble 21%	(Car ordered) Don't know 27% Unworthy of complaint 20% Cancel order 20% Nothing can be done 20%

This study showed that most respondents would prefer to complain in the following rank order: (1) in person, (2) by telephone, and (3) by mail. Table 31 relates to research question number two. As Table 31 shows, respondents would most prefer to complain in person in 8 of the 12 cases. Further, Table 31 shows that respondents would most prefer to complain by telephone in 3 of the 12 cases. And Table 31 shows that respondents would most prefer to complain by mail in 1 of the 12 cases. When viewed by product type, Table 31 also indicates that the propensity to complain in person is greater for convenience goods and specialty goods than it is for shopping goods. Also when viewed by type of complaint, Table 31 shows that the propensity to complain in person is greater for the minor and major economic loss categories than it is for the health-safety problems or inconvenience problems. Thus, Table 31 has shown that the mechanism most preferred by respondents in this study is to complain in person.

TABLE 31

SUMMARY RESPONSES TO THE QUESTION: HOW WOULD YOU PREFER
TO COMPLAIN? (BY MAIL, BY TELEPHONE, OR IN PERSON)

	Convenience	Shopping	Specialty
Minor Economic Loss	(Beans) Mail 0% Telephone 2% In person 62%	(Stain) Mail 1% Telephone 4% In person 92%	(Camera) Mail 6% Telephone 8% In person 90%
Major Economic Loss	(Picture hangers) Mail 13% Telephone 7% In person 41%	(Life ins.) Mail 23% Telephone 42% In person 42%	(Refrig. leak) Mail 10% Telephone 46% In person 56%
Health-Safety Problems	(Soft drink) Mail 16% Telephone 39% In person 38%	(Color t.v.) Mail 6% Telephone 56% In person 48%	(Wrist watch) Mail 9% Telephone 5% In person 50%
Inconvenience Problems	(Fruit cakes) Mail 26% Telephone 36% In person 44%	(Stereo) Mail 46% Telephone 33% In person 10%	(Car ordered) Mail 6% Telephone 32% In person 51%

. This study also showed that the majority of respondents would most prefer to complain to the vendor (seller). Table 32 relates to research question number three. As Table 32 shows, respondents would most prefer to complain to the vendor in ten of the twelve case problems. And Table 32 shows that respondents would most prefer to complain to the producer in two of the twelve cases. Therefore, the propensity to complain to the vendor is greater than the propensity to complain to public or private agencies or the producer within the study. Table 32 also shows that respondents would most prefer to complain to the vendor regardless of product type or type of complaint. Further, Table 32 shows that respondents' propensity to complain to the producer is greater than their propensity to complain to public or private agencies. Consumer awareness of the existence of public or private agencies as parties to whom a complaint may be directed is low. This fact is reflected by the small number (or percentage) of respondents who would choose to complain to a public or private agency (as shown in Table 32). Thus, this study shows that respondents would prefer to complain to parties in the following rank order: (1) to the vendor, (2) to the producer, (3) to private agencies, and (4) to public agencies.

TABLE 32

SUMMARY OF PRIMARY RESPONSES TO THE QUESTION: TO WHOM WOULD YOU PREFER TO COMPLAIN? (ABOUT PROBLEMS THAT MAY LEAD TO MINOR ECONOMIC LOSSES, ABOUT PROBLEMS THAT MAY LEAD TO MAJOR ECONOMIC LOSSES, ABOUT PROBLEMS THAT MAY ENDANGER YOUR HEALTH OR SAFETY, ABOUT PROBLEMS THAT INVOLVE INCONVENIENCE)

	Convenience	Shopping	Specialty
Minor Economic Loss	(Beans) Vendor 63% Public agency 3% Priv. agency 1% Producer 4%	(Stain) Vendor 96% Public agency 0% Priv. agency 1% Producer 1%	(Camera) Vendor 97% Public agency 1% Priv. agency 2% Producer 8%
Major Economic Loss	(Picture hangers) Vendor 52% Public agency 1% Priv. agency 2% Producer 14%	(Life ins.) Vendor 32% Public agency 4% Priv. agency 3% Producer 58%	(Refrig. leak) Vendor 93% Public agency 1% Priv. agency 3% Producer 17%
Health-Safety Problems	(Soft drink) Vendor 21% Public agency 8% Priv. agency 6% Producer 57%	(Color t.v.) Vendor 97% Public agency 0% Priv. agency 4% Producer 9%	(Wrist watch) Vendor 60% Public agency 1% Priv. agency 2% Producer 9%
Inconvenience Problems	(Fruit cakes) Vendor 83% Public agency 2% Priv. agency 8% Producer 22%	(Stereo) Vendor 74% Public agency 6% Priv. agency 7% Producer 3%	(Car ordered) Vendor 85% Public agency 1% Priv. agency 2% Producer 14%

*Totals may not add to 100 percent due to rounding and/or multiple responses.

The action most preferred by those respondents who would complain to a public or private agency was for the public or private agency to exert pressure on the business firm or solve their problem as requested. Table 33 relates to research question number three. As Table 33 shows, respondents who complained to a public or private agency most preferred for the public or private agency to exert pressure on the business firm in five of the twelve cases. And in three of the twelve cases, respondents most preferred for the public or private agency to solve their problem as requested. In four of the twelve cases, respondents preferred each action expectation (exert pressure on business or solve their problem as requested) equally. Several patterns are found when Table 33 is viewed by type of complaint. In the minor economic loss category respondents most preferred for the public or private agency to exert pressure on the business firm (in the convenience, shopping, and specialty goods cases). In the major economic loss category, respondents preferred either type of action equally (exert pressure on the business firm or solve their problem as requested) in the convenience, shopping, and specialty goods cases. In the health-safety category and inconvenience category, respondent preferences are found to be mixed in respect to the type of action they most expect.

TABLE 33

SUMMARY OF PRIMARY RESPONSES TO THE QUESTION: WHAT ACTION WOULD YOU EXPECT (PREFER OR DESIRE) IF YOU COMPLAINED TO A PUBLIC OR PRIVATE AGENCY? (ABOUT MINOR ECONOMIC LOSSES, ABOUT MAJOR ECONOMIC LOSSES, ABOUT HEALTH-SAFETY PROBLEMS, AND ABOUT INCONVENIENCE PROBLEMS)

	Convenience (Beans)	Shopping (Stain)	Specialty (Camera)
Minor Economic Loss	Exert pressure on business 43% Solve problem requested 0%	Exert pressure on business 67% Solve problem requested 0%	Exert pressure on business 80% Solve problem requested 40%
Major Economic Loss	(Picture hangers) Exert pressure on business 75% Solve problem requested 75%	(Life ins.) Exert pressure on business 54% Solve problem requested 54%	(Refrig. leak) Exert pressure on business 57% Solve problem requested 57%
Health-Safety Problems	(Soft drink) Exert pressure on business 31% Solve problem requested 27%	(Color t.v.) Exert pressure on business 44% Solve problem requested 44%	(Wrist watch) Exert pressure on business 50% Solve problem requested 50%
Inconvenience Problems	(Fruit cakes) Exert pressure on business 35% Solve problem requested 47%	(Stereo) Exert pressure on business 18% Solve problem requested 68%	(Car ordered) Exert pressure on business 40% Solve problem requested 20%

*Totals may not add to 100 percent due to rounding and/or multiple responses.

This study also showed that the action most preferred by those respondents who complained to the store or manufacturer was for the store or manufacturer to give them a replacement for the product, a refund for the product, or repair the product. Table 34 relates to research question number three. As Table 34 shows, respondents would most prefer for the store or manufacturer to give them a replacement for the product in six of the twelve cases. And Table 34 shows that respondents would most prefer for the store or manufacturer to give them a refund in four of the twelve cases. Further, Table 34 shows that respondents would most prefer for the store or manufacturer to repair the product in one of the twelve cases. And in one case, Table 34 shows that respondents would equally prefer either a refund or replacement for the product. This indicates that respondents would prefer action from the store or manufacturer in the following rank order: (1) replacement for the product, (2) refund for the product, and (3) repair of the product. Therefore, respondents' desire for produce replacement is greater than their desire for a refund or repair of the product from the store or manufacturer.

TABLE 34

SUMMARY OF PRIMARY RESPONSES TO THE QUESTION: WHAT ACTION WOULD YOU EXPECT (PREFER OR DESIRE) IF YOU COMPLAINED TO THE STORE OR MANUFACTURER? (ABOUT MINOR ECONOMIC LOSSES, ABOUT MAJOR ECONOMIC LOSSES, ABOUT HEALTH-SAFETY PROBLEMS, AND ABOUT INCONVENIENCE PROBLEMS)

	Convenience	Shopping	Specialty
Minor Economic Loss	(Beans)	(Stain)	(Camera)
	Repair 1%	Repair 6%	Repair 27%
	Refund 35%	Refund 67%	Refund 45%
	Replacement 75%	Replacement 32%	Replacement 87%
Major Economic Loss	(Picture hangers)	(Life ins.)	(Refrig. leak)
	Repair 10%	Repair 0%	Repair 65%
	Refund 24%	Refund 10%	Refund 12%
	Replacement 34%	Replacement 0%	Replacement 57%
Health-Safety Problems	(Soft drink)	(Color t.v.)	(Wrist watch)
	Repair 0%	Repair 49%	Repair 7%
	Refund 6%	Refund 23%	Refund 53%
	Replacement 1%	Replacement 76%	Replacement 56%
Inconvenience Problems	(Fruit cakes)	(Stereo)	(Car ordered)
	Repair 1%	Repair 1%	Repair 0%
	Refund 71%	Refund 2%	Refund 29%
	Replacement 12%	Replacement 2%	Replacement 2%

*Totals may not add to 100 percent due to rounding and/or multiple responses.

Consumers expect a response quickly from the party to whom they complain. Table 35 relates to research question number three. As Table 35 shows, respondents expected a response within one week from the party to whom they complained in eleven of the twelve cases. The only exception to this was in the shopping good case (stereo ordered) in the inconvenience category in which respondents (36 percent) expected a response to take from 2 to 3 weeks. When Table 35 is viewed by product type (convenience, shopping, or specialty goods) or type of complaint (minor economic loss, major economic loss, health-safety problems, or inconvenience problems), respondents still prefer a response to take no longer than a week from the party to whom they have complained. Therefore, consumer desire to receive a response within one week from the party to whom they have complained is greater than any other period of time (from 2 weeks to 7 weeks or more).

TABLE 35

SUMMARY RESPONSES TO THE QUESTION: HOW LONG WOULD YOU EXPECT A
 RESPONSE TO TAKE? (ABOUT MINOR ECONOMIC LOSSES, ABOUT MAJOR
 ECONOMIC LOSSES, ABOUT HEALTH-SAFETY PROBLEMS, AND
 ABOUT INCONVENIENCE PROBLEMS)

	Convenience	Shopping	Specialty
Minor Economic loss	(Beans) 0-1 week 86% 2-3 weeks 3% 4-6 weeks 1% 7 wks. or more 3%	(Stain) 0-1 week 92% 2-3 weeks 4% 4-6 weeks 1% 7 wks. or more 0%	(Camera) 0-1 week 75% 2-3 weeks 8% 4-6 weeks 4% 7 wks. or more 7%
Major Economic loss	(Picture hangers) 0-1 week 40% 2-3 weeks 17% 4-6 weeks 5% 7 wks. or more 10%	(Life ins.) 0-1 week 19% 2-3 weeks 14% 4-6 weeks 6% 7 wks. or more 17%	(Refrig. leak) 0-1 week 55% 2-3 weeks 17% 4-6 weeks 4% 7 wks. or more 10%
Health-Safety Problems	(Soft drink) 0-1 week 42% 2-3 weeks 13% 4-6 weeks 6% 7 wks. or more 9%	(Color t.v.) 0-1 week 82% 2-3 weeks 4% 4-6 weeks 1% 7 wks. or more 5%	(Wrist watch) 0-1 week 55% 2-3 weeks 12% 4-6 weeks 5% 7 wks. or more 6%
Inconvenience Problems	(Fruit cakes) 0-1 week 54% 2-3 weeks 21% 4-6 weeks 4% 7 wks. or more 10%	(Stereo) 0-1 week 30% 2-3 weeks 36% 4-6 weeks 7% 7 wks. or more 9%	(Car ordered) 0-1 week 50% 2-3 weeks 19% 4-6 weeks 6% 7 wks. or more 6%

*Totals may not add to 100 percent due to rounding and/or multiple responses.

Graphic Summary of the Complaint Process

Figure 5 presents a summary complaint model derived from the conclusions and actual results of this study. As Figure 5 shows, the inputs to this study were product type (consistent of convenience, shopping, and specialty goods) and type of complaint (hypothetical case problems posed to respondents to create a minor economic loss, major economic loss, health-safety problems, and inconvenience problems). When these two inputs were combined, a simple taxonomic system was developed which consisted of twelve case problems.

As Figure 5 shows, respondents would complain about all twelve case problems. This indicates that the propensity to complain was high in this study, and the propensity to complain was greater than the propensity not to complain.

Also Figure 5 shows that respondents would prefer to complain in the following rank order: (1) in person (in 8 of 12 cases), (2) by telephone (in 3 of 12 cases), and (3) by mail (in 1 of 12 cases).

And Figure 5 also shows that respondents would most prefer to complain to the following parties in the following rank order: (1) vendor (in 10 of 12 cases), (2) producer (in 2 of 12 cases), (3) private agency, and (4) public agency.

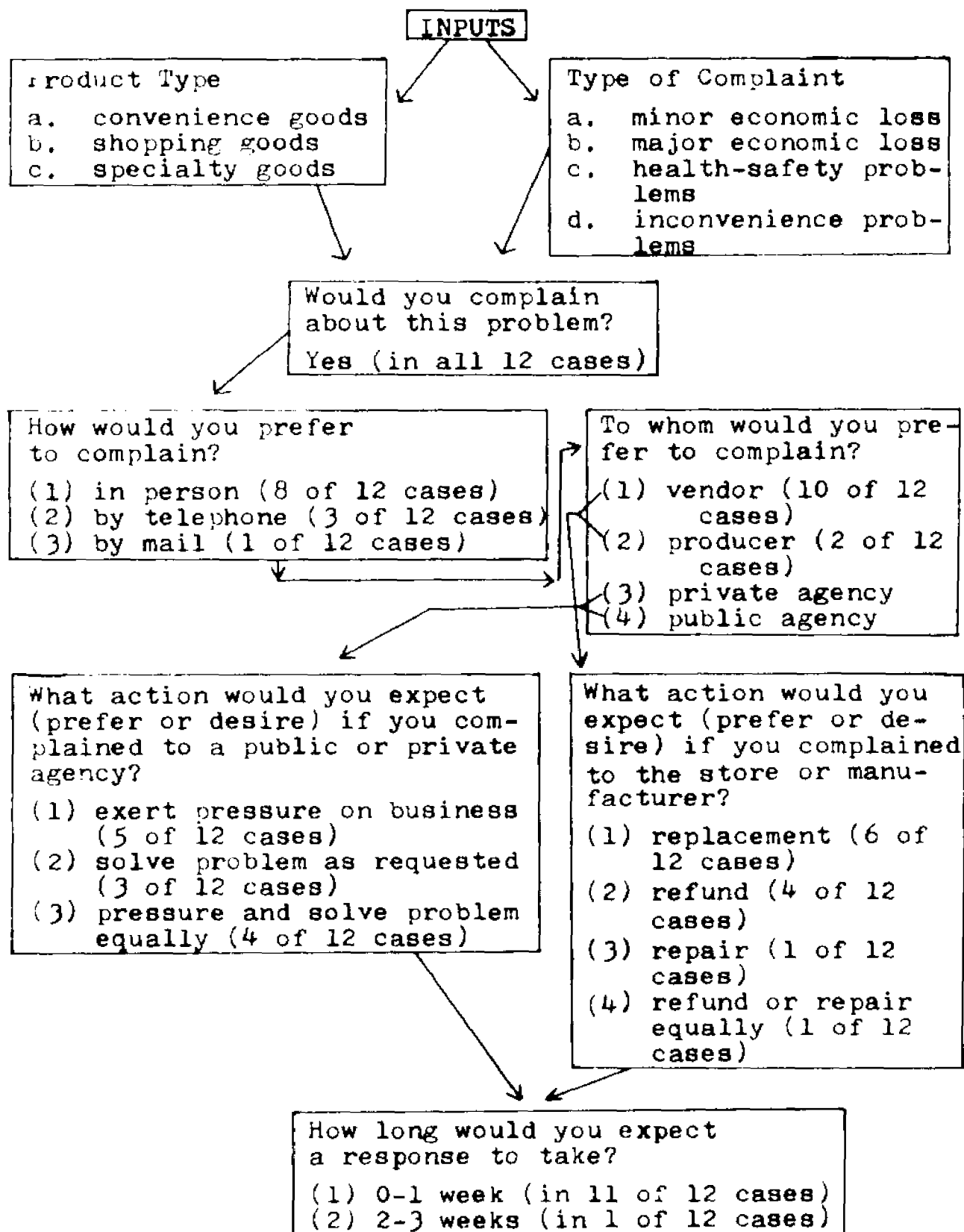
Further, Figure 5 shows that the action most preferred by respondents who complained to a public or private agency

was for the public or private agency to: (1) exert pressure on the business firm (in 5 of 12 cases), (2) solve their problem as requested (in 3 of 12 cases, and (3) exert pressure and solve their problem equally (in 4 of 12 cases).

Also, Figure 5 shows that the action most preferred by respondents who complained to the store or manufacturer was for the store or manufacturer to: (1) give them a replacement for the produce (in 6 of 12 cases), (2) give them a refund (in 4 of 12 cases), (3) repair the product (in 1 of 12 cases), and (4) refund or repair equally (in 1 of 12 cases).

Lastly, Figure 5 shows that respondents expect a response quickly from the party to whom they have complained. Figure 5 shows that respondents expected a response within one week in 11 of the 12 cases. In one of the 12 cases they expected a response to take from 2 to 3 weeks.

Fig. 5. A summary complaint model derived from the conclusions and actual results of the study



Hypotheses Developed From the Study

This research was concerned with seeking descriptive answers to three basic research questions. These research questions were stated at the beginning of the chapter.

Since this study was exploratory, no attempt was made to test hypotheses stated in null form. Rather, emphasis was given to the development of hypotheses that may be tested by other researchers.

The hypotheses that were developed from this study and a defense of them are as follows:

1. All types of problems (e.g., the 12 cases in this research) lead to complaints. Table 29 has shown that all the 12 case problems in this research lead to a complaint, and this statement is derived from that source.
2. A consumer's propensity to complain is high regardless of product type (e.g., convenience, shopping, and specialty goods). Table 29 showed that the propensity to complain was high when viewed by product type.
3. A consumer's propensity to complain is high regardless of type of complaint (e.g., minor economic loss, major economic, health-safety problems, inconvenience problems). Table 29 showed that the propensity to complain was high when viewed by type of complaint.
4. Consumers prefer to complain in person rather than by telephone or by mail. Table 31 showed that respondents would most prefer to complain in person in 8 of 12 cases.
5. Consumers are unaware of public and private agencies as parties to whom a complaint may be directed. Table 32 showed the small number (or percentage) of respondents who would prefer to complain to a public or private agency.

6. Consumers prefer to complain to parties in the following rank order: (1) to the vendor, (2) to the producer, (3) to private agencies, (4) to public agencies. Table 32 showed that respondents would most prefer to complain to the vendor in 10 of the 12 cases.
7. Consumers expect a response quickly (within one week) from the party to whom they have complained. Table 35 showed that respondents expected a response within one week in 11 of 12 cases.

Suggestions for Future Research

A need exists for research to determine the underlying causes of the propensity to complain. This research emphasized product type (e.g., convenience, shopping, and specialty goods) and type of complaint (e.g., minor economic loss, major economic loss, health-safety problems, and inconvenience problems) as two factors that increase the propensity to complain. However, there are many other factors (e.g., price of the product, the economic climate, consumers' perception of the problem) that compel a consumer to complain, and not much is known about them at this time. Future research could determine factors other than product type and type of complaint as measures of the propensity to complain.

Also, more research dealing with consumer preferences as to procedures to follow in complaining would be valuable. This research emphasized consumer preference about mechanisms used and parties to whom a complaint may be directed as they relate to procedures to follow in complaining. Presently, consumer awareness of mechanisms

available for purposes of complaining and parties to whom a complaint may be directed is almost non-existent (see Tables 32 and 33).

Further, more research dealing with the action consumers expect from the party to whom they may complain or have complained would be valuable. This research stressed the action a complainant would expect if he complained to the store or manufacturer or a public or private agency. Future research could study why a complainant is more apt to complain to the store where he purchased an item rather than complain to the manufacturer, or why consumers most prefer a replacement of the good as an action expectation if they complain to the store. Also, more research would be of value to determine how long consumers expect a response to take from the party to whom they may complain or have complained. This research showed that most consumers expect a response quickly (within one week) from the party to whom they complain (see Table 35).

Also, future research which deals with the correlation between consumer decision making processes and the complaint process would be of value and interest. Here, decisions that range from simple to complex and their relationship (or correlation) to the propensity to complain (or not complain) should be emphasized. This study has shown that the propensity to complain among consumers is greater than the propensity not to complain.

More research which stresses the "why" aspect of consumer behavior as it relates to the complaint process is needed. This research should stress why some consumers have a high propensity to complain while other consumers have a low propensity to complain or no propensity to complain (non-complainers). Here an effort could be made to determine the differences in profile between complainers versus non-complainers and the why aspects of both.

Further, more research should be conducted to determine the role of the government in assisting a complainant (actual or potential). Here particular attention should be given to the consumer who is seeking redress and the role the government could play as third party intervenor. This suggestion for research is made because the government has spent millions of dollars creating agencies of all types that deal with consumer protection and consumer welfare, but they have done very little in determining the role the government could play or should play in assisting complainants. One study now in progress under the direction of the Office of Consumer Affairs in Washington, D.C., has found major faults in the way 15 federal agencies handle consumer complaints. Among the investigation's major findings were:

1. No consistent or adequate policy exists for handling complaints by telephone in the headquarters offices of many agencies.
2. Many agencies, because of poor record-keeping

procedures, are unable to estimate the number of complaints received.

3. There is little consistency in the methods of classifying complaints received by the agencies.
4. There is currently lack of agreement on the type of responses that should be made by the agencies to consumer complaints.
5. Senior policymakers in government often do not receive regular information on the types and volume of consumer complaints.
6. In many complaint-handling systems, there are no formal policies which explicitly fix responsibility for handling complaints.

Also, more research is needed to monitor business firms, on an ongoing basis, to see how well they handle the complaints they receive. Although several business firms have developed positive response programs for handling complaints, there is still much evidence that shows that there is room for improvement in handling complaints among all business firms.

Finally, it is hoped that this study will be found to be not only relevant, but also of interest and value to: (1) consumers, (2) agencies that handle complaints, and (3) management of business firms. This study is relevant to consumers because it reflects: (1) how consumers most prefer to complain, (2) to whom consumers most prefer to complain, (3) action expectations of consumers from the parties to whom they may complain or have complained. Also, the study is relevant to agencies that handle complaints because it: (1) reflects the action

that consumers expect of them, (2) shows how long consumers expect a response to take, (3) shows that consumer awareness of agencies as parties to whom a complaint may be directed is almost non-existent.

Further, the study is relevant to business firms (and their management) that handles complaints because: (1) it shows the action most preferred by consumers if they complain to the vendor or manufacturer, (2) it shows that the consumer most prefers to complain to the vendor, (3) it shows how consumers most prefer to complain with respect to mechanisms available, and (4) it shows that the consumer's propensity to complain is greater now than ever before.

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APPENDIX A
QUESTIONNAIRE

**SOUTHEASTERN INSTITUTE
OF RESEARCH**


SIR #5231

Questionnaire No.

(1 - 3)

Card

1 (4)

Richmond

1 (5)

Hampton - Newport News

2

Norfolk - Portsmouth

3

Hello, this is _____ from SIR Research. We're conducting an opinion survey on different kinds of consumer complaints. First, I would like to read you a description of the complaint and then ask you several questions about it. Here is the first one.

CARD 1

Convenience Goods
Minor Economic Loss

1A. If you bought a \$0.39 can of beans at the grocery store, and later discovered the can was only half full, what would you do? What else? What else?

(Skip to 1C)

- | | | |
|--|----|-----|
| Call the canner | 1 | (2) |
| Write the canner | 2 | |
| Call the grocery store | 3 | |
| Write the grocery store | 4 | |
| Appear in person at the canner's | 5 | |
| Appear in person at the grocery store | 6 | |
| Return for refund or adjustment | 7 | |
| Seek legal action against canner | 8 | |
| Seek legal action against grocery store | 9 | |
| Tell friends or family members about problem | 10 | |
| Write public or private agency | + | |
| Call public or private agency | + | |
| Appear in person at public or private agency | 1 | (7) |
| Other (specify) _____ | | |
| _____ | | |
| _____ | | |
| Would do nothing | - | |
| OK | + | |

1B. Would you complain about this problem?

- | | | |
|-----|---|-----|
| yes | 1 | (6) |
| No | 2 | |
| OK | + | |

Skip to 1G

1C. How would you prefer to complain

- | | | |
|--------------|---|-----|
| By mail | 1 | (9) |
| Telephone | 2 | |
| Or in person | 3 | |
| OK | + | |

1D. To whom would you prefer to complain? Who else?

- | | | |
|--------------------------------|---|------|
| Store where item purchased | 1 | (10) |
| Friends/family | 2 | |
| Public agency (specify) _____ | 3 | |
| Private agency (specify) _____ | 4 | |
| Manufacturer | 5 | |
| Other (specify) _____ | | |
| _____ | | |
| (Skip to next section) | { | OK |

1E. What action would you expect (prefer or desire) from the party to whom you may complain about this problem? What else?

1F. Retail/Private Agency
(11,12)

1. Phone call

2. Letter

3. Personal visit

4. Exert pressure on the store's firm

5. Exert pressure personally (report)

6. Report to manufacturer's demands

7. Report to very few other demands

8. Report to many other demands

9. Other (specify)

10. No

1F. Retail/Private Agency
(11,12)

1. Phone call

2. Letter

3. Personal visit

10. No

1F. Store/Manufacturer
(13/14)

1. Phone call

2. Letter

3. Personal visit

4. Substitute product

5. Report product

6. Refuse

7. Replace cost

8. Exert pressure on retailer

9. Other (specify)

10. No

1F. Retail/Manufacturer
(13/14)

1. Phone call

2. Letter

3. Personal visit

10. No

1G. How long would you expect the response to take

1. within 1 week
2. within 2 weeks
3. within 3 weeks
4. within 1 month
5. 4-6 weeks
6. more than 6 weeks
7. No

1H. How often would you expect to be complained about this problem?

1. Too much to count
2. Once per month
3. Once per two months
4. Don't know how to compute
5. Don't know when to complain to
6. Problem not worthy of complaint
7. Other (specify)

(Add 1)

(11)

(12)

(13)

(14)

10

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2 (11)

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convenience foods
Major Economic Loss

2A If you bought a packet of picture hangers that cost \$0.25 and later discovered that an expensive picture had fallen off the wall and was ruined because the picture hanger was defective, what would you do? What else? what else?

4117

- call the hanger manufacturer
- write the hanger manufacturer
- call the store
- write the store
- Appeal to person at the hanger manufacturer's
- Appeal to person at the store
- Return for a new picture hanger
- ask for a free picture hanger from the store
- ask for a free picture hanger from the store
- tell friends or family members about problem
- write public or private agency
- tell public or private agency
- Appeal to person at public or private agency
- other (specify)

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10 What action would you expect (prefer or desire) from the party to whom you
 are complaining about the problem? What action?

11 Out of the private Agency
 (23/25)

11 Store/Manufacturer
 (26/27)

12 I am satisfied

12 I am not satisfied

13 I am not

13 I am not

14 I am not satisfied

14 I am not satisfied

15 I am not satisfied with the service

15 I am not satisfied with the service

16 I am not satisfied with the product

16 I am not satisfied with the product

17 I am not satisfied with the price

17 I am not

18 I am not satisfied with the quality

18 I am not

19 I am not satisfied with the service

19 I am not satisfied with the service

20 I am not

20 I am not

21 I am

21 I am

22 I am not satisfied with the service

22 I am not satisfied with the service

23 I am

23 I am

24 I am not satisfied with the service

24

25 I am not

26 I am

26 I am

27 I am not satisfied with the service

27 I am not

28 I am not

28 I am not

29 I am not

29 I am not

30 I am not

31 I am not satisfied with the service

31 I am not

32 I am not

32 I am not

33 I am not

33 I am not

34 I am not

34 I am not

35

Convenience Foods
Health Safety Problem

1A If you bought a soft drink from a vending machine costing \$.20 and later became sick because the drink had lye in it, what would you do? What else? What else?

100% 100%

- call the bottler
- write the bottler
- call the vending machine owner
- write the vending machine owner
- Appear in person at the bottler's
- Appear in person at the vending machine owner's
- Return for refund or adjustment
- seek legal action against bottler
- seek legal action against vending machine owner
- tell friends or family members about problem
- write public or private agency
- call public or private agency
- Appear in person at public or private agency
- other (specify)

would do nothing

100%

100%

100% 100%

100% 100%

100%

100%

100%

100% 100%

100% 100%

100%

100% 100%

100% 100%

100%

100%

100% 100%

CARD 1

Convenience Goods
Inconvenience Problem

4A. If you had a department store in your area order for you 5 fruit cakes from a company in Louisiana for friends at Christmas, and the fruit cakes were never delivered, what would you do? What else? What else?

Call the fruit cake company	1 (41)
Write the fruit cake company	1
Call the department store	3
Write the department store	4
Appear in person at the fruit cake company	5
Appear in person at the department store	6
Return for refund or adjustment	7
Seek legal action against fruit cake company	8
Seek legal action against department store	9
Tell friends or family members about problem	0
Write public or private agency	
Call public or private agency	+
Appear in person at public or private agency	1 (46)
Other (specify)	

Would do nothing

0

+

4. If you had a department store in your area

0

1 (41)

1 (41)

1

1

4. If you had a department store in your area

1 (41)

1 (41)

1 (41)

1

1 (41)

1

4. If you had a department store in your area

Department store where fruit cake ordered

1 (49)

Tell friends, family

2

Write company (specify)

3

Write department store (specify)

4

Fruit cake company

5

Other (specify)

6

Would do nothing

0

+

		TABLE 1
4E	What action would you expect (prefer or desire) from the party to whom you may complain about this problem? What else?	
	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>If Public/Private Agency (50/51)</p> <ol style="list-style-type: none"> 1. Phone call 2. Letter 3. Personal visit 4. Exert pressure on firm's firm 5. Solve problem per my request 6. Respond to most of my demands 7. Respond to very few of my demands 8. Respond to none of my demands 9. Other (specify) </div> <div style="width: 45%;"> <p>If Store/Manufacturer (52/53)</p> <ol style="list-style-type: none"> 1. Phone call 2. Letter 3. Personal visit 4. Substitute product 5. Repair product 6. Refund 7. Replacement 8. Exert pressure on retailer 9. Other (specify) </div> </div>	<div style="display: flex; justify-content: flex-end; align-items: center;"> <div style="width: 20px; text-align: center;">(56)</div> <div style="width: 20px; text-align: center;">(57)</div> <div style="width: 20px; text-align: center;">(52)</div> <div style="width: 20px; text-align: center;">(53)</div> </div>
	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>If Friend/Family Member (54)</p> <ol style="list-style-type: none"> 1. Sympathy 2. Would expect nothing 3. Other (specify) </div> <div style="width: 45%;"> <p>If Not Related to Other Places (55)</p> <ol style="list-style-type: none"> 1. Other (specify) </div> </div>	<div style="display: flex; justify-content: flex-end; align-items: center;"> <div style="width: 20px; text-align: center;">(58)</div> <div style="width: 20px; text-align: center;">(59)</div> </div>
4F	How long would you expect the response to take?	
	<div style="display: flex; align-items: center;"> <div style="width: 40%;"> <p>(Skip to next table)</p> </div> <div style="width: 20%;"> <p> <input type="checkbox"/> Within 1 week <input type="checkbox"/> Within 2 weeks <input type="checkbox"/> Within 3 weeks <input type="checkbox"/> Within 1 month <input type="checkbox"/> 4 to 6 weeks <input type="checkbox"/> More than 6 weeks <input type="checkbox"/> OK </p> </div> <div style="width: 20%;"> <p> <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6 <input type="checkbox"/> 7 </p> </div> </div>	<div style="display: flex; justify-content: flex-end; align-items: center;"> <div style="width: 20px; text-align: center;">(60)</div> </div>
4G	For what reason would you choose not to complain about this problem? What else?	
	<ol style="list-style-type: none"> 1. Too much trouble 2. Nothing can be done 3. Too time-consuming 4. Don't know how to complain 5. Don't know whom to complain to 6. Feels not worthy of complaint 7. Other (specify) 	<div style="display: flex; justify-content: flex-end; align-items: center;"> <div style="width: 20px; text-align: center;">(61)</div> </div>
		<div style="display: flex; justify-content: flex-end; align-items: center;"> <div style="width: 20px; text-align: center;">(62)</div> </div>

Shopping Goods
Minor Economic Loss

5A. If you bought an article of clothing from a retail department store (e.g. a blouse for a woman or shirt for a man) and when you opened the package found a stain on the garment that cost \$2.00 to have professionally cleaned, what would you do? What else? What else?

(Skip to 5C)

- | | |
|---|--------|
| <u>Call the manufacturer</u> | 1 (58) |
| <u>Write the manufacturer</u> | 2 |
| <u>Call the department store</u> | 3 |
| <u>Write the department store</u> | 4 |
| <u>Appear in person at the manufacturer's</u> | 5 |
| <u>Appear in person at the department store</u> | 6 |
| <u>Return for refund or adjustment</u> | 7 |
| <u>Seek legal action against manufacturer</u> | 8 |
| <u>Seek legal action against department store</u> | 9 |
| <u>Tell friends or family members about problem</u> | 0 |
| <u>Write public or private agency</u> | - |
| <u>Call public or private agency</u> | + |
| <u>Appear in person at public or private agency</u> | 1 (59) |
| <u>Other (specify) _____</u> | |
| <u>_____</u> | |
| <u>_____</u> | |
| <u>Would do nothing</u> | - |
| <u>Do</u> | + |

5B. Would you complain about this problem?

- | | |
|-------------------|--------|
| <u>Yes</u> | 1 (60) |
| <u>No</u> | 2 |
| <u>Don't know</u> | 3 |

5C. How would you prefer to complain?

- | | |
|---------------------|--------|
| <u>By mail</u> | 1 (61) |
| <u>Telephone</u> | 2 |
| <u>Or in person</u> | 3 |
| <u>Do</u> | + |

5D. To whom would you prefer to complain? Who else?

- | | |
|---------------------------------------|--------|
| <u>Store where item purchased</u> | 1 (62) |
| <u>Friends/family</u> | 2 |
| <u>Public agency (specify) _____</u> | 3 |
| <u>Private agency (specify) _____</u> | 4 |
| <u>Manufacturer</u> | 5 |
| <u>Other (specify) _____</u> | |

(Skip to next section)

{ 00 }

		LAIRD 1
54.	What action would you expect (prefer or desire) from the party to whom you may complain about this problem? What else?	
	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>If Public/Private Agency (63/64)</p> <p>1 Phone call</p> <p>2 Letter</p> <p>3 Personal visit</p> <p>4 Bring pressure on business firm</p> <p>5 Solve problem per my request</p> <p>6 Respond to most of my demands</p> <p>7 Respond to very few of my demands</p> <p>8 Respond to none of my demands</p> <p>Other (specify) _____</p> <p>+ []</p> </div> <div style="width: 45%;"> <p>If Store/Manufacturer (65/66)</p> <p>1 Phone call</p> <p>2 Letter</p> <p>3 Personal visit</p> <p>4 Substitute product</p> <p>5 Repair product</p> <p>6 Refund</p> <p>7 Replacement</p> <p>8 Bring pressure on retailer</p> <p>Other (specify) _____</p> <p>+ []</p> </div> </div>	<p>(63)</p> <p>(64)</p> <p>(65)</p> <p>(66)</p>
	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>If Friends/Family Members (67)</p> <p>1 Sympathy</p> <p>2 Would expect nothing</p> <p>Other (specify) _____</p> <p>+ []</p> </div> <div style="width: 45%;"> <p>If Complained to Other Places (68)</p> <p>Other (specify) _____</p> <p>+ []</p> </div> </div>	<p>(67)</p> <p>(68)</p>
55.	How long would you expect the response to take?	
	<div style="display: flex; align-items: center;"> <div style="margin-right: 10px;">(skip to next page)</div> <div style="border-left: 1px solid black; padding-left: 10px;"> <p>Within 1 week</p> <p>Within 2 weeks</p> <p>Within 3 weeks</p> <p>Within 1 month</p> <p>4-6 weeks</p> <p>More than 6 weeks</p> <p>OK</p> </div> </div>	<p>1 (69)</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>+ []</p>
56.	For what reasons would you choose not to complain about this problem? What else?	
	<p>Too much trouble</p> <p>Nothing can be done</p> <p>My time is too valuable</p> <p>Don't know how to complain</p> <p>Don't know whom to complain to</p> <p>Problem not worthy of complaint</p> <p>Other (specify) _____</p> <p>+ []</p>	<p>1 (70)</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p>

Shopping Goods
Major Economic Loss

6A. If you were the beneficiary for a life insurance policy valued at \$10,000, and upon the death of the insured person whom it covered, the company did not pay you the money, what would you do? What else? What else?

Skip to 6C

- | | |
|--|-------|
| Call the home office of the insurance company | 1 (5) |
| Write the home office of the insurance company | 2 |
| Call your insurance agent | 3 |
| Write your insurance agent | 4 |
| Appear in person at the home office of the insurance company | 5 |
| Appear in person at your insurance agents' | 6 |
| Return for refund or adjustment | 7 |
| Seek legal action against insurance company home office | 8 |
| Seek legal action against insurance agent | 9 |
| Tell friends or family members about problem | 0 |
| Write public or private agency | |
| Call public or private agency | + |
| Appear in person at public or private agency | 1 |
| Other (specify) _____ | (1) |
| Would do nothing | - |
| OK | + |

6B. Would you complain about this problem?

- | | |
|-------|-------|
| Yes | 1 (2) |
| No | 2 |
| Other | 3 |

Skip to 6C

6C. How would you prefer to complain?

- | | |
|-----------|-------|
| By mail | 1 (2) |
| By phone | 2 |
| In person | 3 |
| Other | 4 |

6D. To whom would you prefer to complain? What else?

- | | |
|----------------------------------|-------|
| Insurance agent | 1 (9) |
| Friends/family | 2 |
| Public agency (specify) _____ | 3 |
| Private agency (specify) _____ | 4 |
| Home office of insurance company | 5 |
| Other (specify) _____ | |
| (Skip to next section) | 6 |

(DUP)

(T-3)

2 (4)

6E. What action would you expect (prefer or desire) from the party to whom you may complain about this problem? What else?

LAHII 2

If Public/Private Agency
(10/11)

- 1 Phone call
- 2 Letter
- 3 Personal visit
- 4 Bring pressure on business firm
- 5 Solve problem per my request
- 6 Respond to most of my demands
- 7 Respond to very few of my demands
- 8 Respond to none of my demands
- Other (specify) _____

+ DK

If Friends/Family Members
(14)

- 1 Sympathy
- 2 Would expect nothing
- Other (specify) _____

+ DK

If Agent/Insurance Company
(12/13)

- 1 Phone call (10)
- 2 Letter (11)
- 3 Personal visit
- 4 Substitute product (12)
- 5 Repair product (13)
- 6 Refund
- 7 Replacement
- 8 Bring pressure on agent
- Other (specify) _____

+ DK

If Complained to Other Places
(15)

- Other (specify) _____ (14)
- _____ (15)

+ DK

6F. How long would you expect the response to take?

(Skip to next page)

- | | | | | |
|---|-------------------|---|---|------------|
| { | within 1 week | 1 | } | _____ (16) |
| | within 2 weeks | 2 | | |
| | within 3 weeks | 3 | | |
| | within 1 month | 4 | | |
| | 4-6 weeks | 5 | | |
| | More than 6 weeks | 6 | | |
| | DK | + | | |

6G. For what reasons would you choose not to complain about this problem? What else?

- Too much trouble 1 (17)
- Nothing can be done 2
- My time is too valuable 3
- Don't know how to complain 4
- Don't know whom to complain to 5
- Problem not worthy of complaint 6
- Other (specify) _____

DK

+

Shopping Goods
Health Safety Problem

7A. If you bought a new color T.V. costing \$450, and the cord caught fire the first time you plugged it into an electric outlet due to a short in the cord, what would you do? What else? What else?

DUP.

(1 - 3)

2 (4)

(Skip to 7C)

- | | |
|--|--------|
| Call the manufacturer | 1 (18) |
| Write the manufacturer | 2 |
| Call the store | 3 |
| Write the store | 4 |
| Appear in person at the manufacturer | 5 |
| Appear in person at the store | 6 |
| Return for refund or adjustment | 7 |
| Seek legal action against manufacturer | 8 |
| Seek legal action against store | 9 |
| Tell friends or family members about problem | 0 |
| Write public or private agency | + |
| Call public or private agency | + |
| Appear in person at public or private agency | 1 (19) |
| Other (specify) | |
| Would do nothing | - |
| DK | + |

7B. Would you complain about this problem?

yes 1 (20)

Fig. 10 7G

No
DK

2
1

7C. How would you prefer to complain?

By mail 1 (21)

Telephone

Or in person

3

DK

+

7D. To whom would you prefer to complain? Who else?

Store where item purchased 1 (22)

Friends/family

2

Public agency (specify)

3

Private agency (specify)

4

Manufacturer

5

Other (specify)

(Skip to next section)

DK

+

7E. What action would you expect (prefer or desire) from the party to whom you may complain about this problem? What else?

If Public/Private Agency
(23/24)

- 1 Phone call
- 2 Letter
- 3 Personal visit
- 4 Bring pressure on business firm
- 5 Solve problem per my request
- 6 Respond to most of my demands
- 7 Respond to very few of my demands
- 8 Respond to none of my demands
- Other (specify)

* DK

If Friends/Family Members
(27)

- 1 Sympathy
- 2 Would expect nothing
- Other (specify)

* DK

If Store/Manufacturer
(25/26)

- 1 Phone call
- 2 Letter
- 3 Personal visit
- 4 Substitute product
- 5 Repair product
- 6 Refund
- 7 Replacement
- 8 Bring pressure on retailer
- Other (specify)

* DK

If Complained to Other Places
(28)

Other (specify)

* DK

7F. How long would you expect the response to take?

Click to next page

- | | | | |
|---|-------------------|---|------|
| { | Within 1 week | 1 | (29) |
| | Within 2 weeks | 2 | |
| | Within 3 weeks | 3 | |
| | Within 1 month | 4 | |
| | 4-6 weeks | 5 | |
| | More than 6 weeks | 6 | |
| | DK | * | |

7G. For what reasons would you choose not to complain about this problem? What else?

- | | | |
|---------------------------------|---|------|
| Too much trouble | 1 | (30) |
| Nothing can be done | 2 | |
| My time is too valuable | 3 | |
| Don't know how to complain | 4 | |
| Don't know whom to complain to | 5 | |
| Problem not worthy of complaint | 6 | |
| Other (specify) | | |

* DK

(MHI) 2

Shopping Goods
Inconvenience Problem

8A If you ordered a stereo (e.g. RCA, Zenith, Motorola, Fisher) from a leading mail-order-house (e.g. Spiegel's) that cost \$100, and your credit was never approved because the computer identified you as someone else, what would you do? What else? What else?

(Skip to 8C)

- | | |
|--|--------|
| Call the manufacturer | 1 (31) |
| Write the manufacturer | 2 |
| Call the mail order house | 3 |
| Write the mail order house | 4 |
| Appear in person at the manufacturer | 5 |
| Appear in person at the mail order house | 6 |
| Return for refund or adjustment | 7 |
| Seek legal action against manufacturer | 8 |
| Seek legal action against mail order house | 9 |
| Tell friends or family members about problem | 0 |
| Write public or private agency | |
| Call public or private agency | * |
| Appear in person at public or private agency | 3 (32) |
| Other (specify) | |

Would do nothing

(0)

8B How would you prefer to complain?

- | | |
|--------------|--------|
| By mail | 3 (33) |
| By telephone | 4 |
| In person | 5 |
| Other | * |

8C How would you prefer to complain?

- | | |
|--------------|--------|
| By mail | 1 (34) |
| By telephone | 2 |
| In person | 3 |
| Other | * |

8D How would you prefer to complain? Where?

- | | |
|---|--------|
| Mail order house where stereo purchased | 1 (35) |
| Friends/family | 2 |
| Public agency (specify) | 3 |
| Private agency (specify) | 4 |
| Manufacturer | 5 |
| Other (specify) | |

(Skip to next section)

{ OK

Specialty Goods
Minor Economic Loss

9A If you bought a special type of camera that cost \$75, and the first time you used it the trigger that releases the shutter fell off, what would you do? What else? What else?

(Skip to 9C)

- | | MARK | |
|--|-------|------|
| | DUP | |
| | (T-3) | |
| | 2 | (4) |
| Call the manufacturer | 1 | (44) |
| Write the manufacturer | 2 | |
| Call the store | 3 | |
| Write the store | 4 | |
| Appear in person at the manufacturer | 5 | |
| Appear in person at the store | 6 | |
| Return for refund or adjustment | 7 | |
| Seek legal action against manufacturer | 8 | |
| Seek legal action against store | 9 | |
| Tell friends or family members about problem | 0 | |
| Write public or private agency | | |
| Call public or private agency | * | |
| Appear in person at public or private agency | 1 | (45) |
| Other (specify) | | |

Would do nothing

(9)

9B How would you explain about this problem?

(10)

(Skip to 9C)

9C How would you prefer to resolve it?

By mail 1 (47)

Telephone

In my person

(11)

9D How would you prefer to place the blame?

Store where they purchased 1 (48)

Friends/family

Public agency (specify)

Private agency (specify)

Manufacturer

Other (specify)

(Skip to next section)

(12)

98. What action would you expect (prefer or desire) from the party to whom you may complain about this problem? What else?

If Public/Private Agency
(49/50)

1. Phone call

2. Letter

3. Personal visit

4. Return products to factory's firm

5. Solve problem quickly request

6. Respond to each of my demands

7. Respond to very few of my demands

8. Respond to none of my demands

Other (specify)

9. 10

If General Family Member
(53)

1. 2. 3. 4. 5. 6. 7. 8. 9. 10.

11. I would expect nothing

Other (specify)

12. 13.

If Store/Manufacturer
(51/52)

1. Phone call

2. Letter

3. Personal visit

4. Substitute product

5. Repair product

6. Refund

7. Replacement

8. Return products to store

Other (specify)

9. 10.

If Complaints Section Files
(54)

Other (specify)

11. 12.

99. How long would you expect the response to take?

1. 2. 3. 4. 5. 6. 7. 8. 9. 10.

within 1 week

within 2 weeks

within 3 weeks

within 1 month

4-6 weeks

More than 6 weeks

OR

100. For what reasons would you choose not to complain about this problem? What's more?

Too much trouble

Nothing can be done

My time is too valuable

Don't know how to complain

Don't know whom to complain to

Problem not worthy of complaint

Other (specify)

OR

UNCL 4

(49)

(50)

(51)

(52)

(53)

(54)

1. 2. 3. 4. 5. 6. 7. 8. 9. 10.

1. 2. 3. 4. 5. 6.

+

Specialty Goods
Major Economic Loss

10A. If you bought a refrigerator that cost \$300 with a special ice-maker and in the color you wanted, and later it leaked and ruined the linoleum floor in your kitchen, what would you do? What else? What else?

(Skip to 10C)

- | | |
|--|--------|
| Call the manufacturer | 1 (57) |
| Write the manufacturer | 1 |
| Call the store | 1 |
| Write the store | 1 |
| Appear to person at the manufacturer | 1 |
| Appear to person at the store | 1 |
| Return for refund or adjustment | 1 |
| Seek legal action against manufacturer | 1 |
| Seek legal action against store | 1 |
| Tell friends or family members about problem | 1 |
| Write public or private agency | 1 |
| Call public or private agency | 1 |
| Appear to person at public or private agency | 1 (57) |
| Other response | 1 |

all of these

10B. How would you prefer to solve this problem?

- | | |
|------------------------|--------|
| Call the manufacturer | 1 (57) |
| Write the manufacturer | 1 |
| Call the store | 1 |
| Write the store | 1 |

10C. How would you prefer to complete?

- | | |
|--|--------|
| Return for refund or adjustment | 1 (57) |
| Seek legal action against manufacturer | 1 |
| Seek legal action against store | 1 |
| Tell friends or family members about problem | 1 |

10D. How would you prefer to complete? What else?

- | | |
|--|--------|
| Write public or private agency | 1 (57) |
| Call public or private agency | 1 |
| Appear to person at public or private agency | 1 |
| Other response | 1 |
| all of these | 1 |
| (Skip to next section) | 1 |

CARD 2

DUP

(T-3)

2 (4)

1 (57)

1

1

1

1

1

1

1

1

1

1

1

1 (57)

1

1

1

1

1

1 (57)

1

1

1

1 (57)

1 (57)

1

1

1

1

1 (57)

1

1

1

1

1

1

1

1

10E. What action would you expect (prefer or desire) from the party to whom you may complain about this problem? What else?

If Public/Private Agency
(62/63)

1. Phone call
2. Letter
3. Personal visit
4. Bring pressure on business firm
5. Solve problem per my request
6. Respond to most of my demands
7. Respond to very few of my demands
8. Respond to none of my demands
- Other (specify)

* [0]

If Manufacturer Only (64/65)

1. Sympathy
2. would expect nothing
- Other (specify)

* [0]

If Store/Manufacturer
(64/65)

1. Phone call
2. Letter
3. Personal visit
4. Substitute product
5. Repair product
6. Refund
7. Replacement
8. Bring pressure on appliance dealer
- Other (specify)

* [0]

If nothing would be expected (66)

Other (specify)

* [0]

10F. How long would you expect the response to take?

- | | | | | |
|---------------------|---|-------------------|---|-------|
| (skip to next page) | } | within 1 week | 1 | (68) |
| | | within 2 weeks | 2 | |
| | | within 3 weeks | 3 | |
| | | within 1 month | 4 | |
| | | 4-6 weeks | 5 | |
| | | More than 6 weeks | 6 | |
| | | | | * [0] |

10G. For what reasons would you choose not to complain about this problem? What else?

1. Too much trouble
2. Nothing can be done
3. My time is too valuable
4. Don't know how to complain
5. Don't know whom to complain to
6. Problem not worthy of complaint
- Other (specify)

[0]

(Alto 2)

Specialty Goods
Health Safety Problem

11A. If you bought an expensive brand of wrist watch, and after wearing it for awhile discovered it irritated the skin on your arm and made it break out in a rash, what would you do? What else? What else?

(Skip to 11C)

- | | | | |
|--|--|----|-----|
| | Call the manufacturer | 1 | (5) |
| | Write the manufacturer | 2 | |
| | Call the store | 3 | |
| | Write the store | 4 | |
| | Appear in person at the manufacturer | 5 | |
| | Appear in person at the store | 6 | |
| | Return for refund or adjustment | 7 | |
| | Seek legal action against manufacturer | 8 | |
| | Seek legal action against store | 9 | |
| | Tell friends or family members about problem | 10 | |
| | Write public or private agency | 11 | |
| | Call public or private agency | 12 | |
| | Appear in person at public or private agency | 13 | (6) |
| | Other (specify) | | |

would do nothing

14

11B. How would you prefer to be helped?

15

16

11C. How would you prefer to be helped?

17

18

19

20

11D. To whom would you prefer to complain? Why?

21

22

23

24

25

26

(Skip to next section)

27

LAND J

DUP.

(T-3)

3 (4)

1 (5)

2

3

4

5

6

7

8

9

10

11

12

13 (6)

14

15 (7)

16

17

18 (8)

19

20

21

22 (9)

23

24

25

26

27

11E. What action would you expect (prefer or desire) from the party to whom you may complain about this problem? What else?

If Public/Private Agency
(10/11)

- 1 Phone call
- 2 Letter
- 3 Personal visit
- 4 Bring pressure on business firm
- 5 Solve problem per my request
- 6 Respond to most of my demands
- 7 Respond to very few of my demands
- 8 Respond to none of my demands
- Other (specify)

* DK

If Friends/Family Members
(14)

- 1 Sympathy
- 2 Would expect nothing
- Other (specify)

* DK

If Store/Manufacturer
(12/13)

- 1 Phone call
- 2 Letter
- 3 Personal visit
- 4 Substitute product
- 5 Repair product
- 6 Refund
- 7 Replacement
- 8 Bring pressure on retailer
- Other (specify)

* DK

If Complained In Other Places
(15)

Other (specify)

* DK

11F. How long would you expect the response to take?

(Skip to next page)

- | | | |
|---|-------------------|---|
| { | within 1 week | 1 |
| | within 2 weeks | 2 |
| | within 3 weeks | 3 |
| | within 1 month | 4 |
| | 4-6 weeks | 5 |
| | More than 6 weeks | 6 |
| | DK | * |

(16)

11G. For what reasons would you choose not to complain about this problem? What else?

- 1 Too much trouble
- 2 Nothing can be done
- 3 My time is too valuable
- 4 Don't know how to complain
- 5 Don't know whom to complain to
- 6 Problem not worthy of complaint
- Other (specify)

DK

*

CARD 3

Specialty Goods
Inconvenience Problem

12A. If you ordered a new car with the special features you wanted, and the dealer told you normal delivery time was 4 weeks, and after waiting 12 weeks you still did not have your car, what would you do? What else? What else?

(Skip to 12C)

- | | | | |
|--|--|----|------|
| | Call the manufacturer | 1 | (18) |
| | Write the manufacturer | 2 | |
| | Call the store | 3 | |
| | Write the store | 4 | |
| | Appear in person at the manufacturer | 5 | |
| | Appear in person at the store | 6 | |
| | Return for refund or adjustment | 7 | |
| | Seek legal action against manufacturer | 8 | |
| | Seek legal action against store | 9 | |
| | Tell friends or family members about problem | 10 | |
| | Write public or private agency | | |
| | Call public or private agency | 11 | |
| | Appear in person at public or private agency | 12 | (19) |
| | Other (specify) | | |

What else would you

12B. How would you prefer to complain about this problem?

- | | | | |
|--|--------------|---|------|
| | By mail | 1 | (20) |
| | In person | 2 | |
| | By telephone | 3 | |

12C. How would you prefer to complain?

- | | | | |
|--|--------------|---|------|
| | By mail | 1 | (21) |
| | In person | 2 | |
| | By telephone | 3 | |

12D. To whom would you prefer to complain? Who about?

- | | | | |
|--|----------------------------------|---|------|
| | Store where the problem occurred | 1 | (22) |
| | General authority | 2 | |
| | Public agency (specify) | 3 | |
| | Private agency (specify) | 4 | |
| | Manufacturer | 5 | |
| | Other (specify) | | |

(Skip to next section)

CARD 3

DUP

(1-3)

3 (4)

		PAGE 3	
125.	What action would you expect (prefer or desire) from the party to whom you may complain about this problem? What else?		
	If Public/Private Agency (23/24)	If Store/Manufacturer (25/26)	
	1 Phone call	1 Phone call	(23)
	2 Letter	2 Letter	(24)
	3 Personal visit	3 Personal visit	
	4 Bring pressure on business firm	4 Substitute product	(25)
	5 Solve problem per my request	5 Repair product	(26)
	6 Respond to most of my demands	6 Refund	
	7 Respond to very few of my demands	7 Replacement	
	8 Respond to none of my demands	8 Bring pressure on retailer	
	Other (specify) _____	Other (specify) _____	
	+ DK	+ DK	
	If Friends/Family Members (27)	If Complained to other places (28)	
	1 Sympathy	Other (specify) _____	(27)
	2 Would expect nothing		(28)
	Other (specify) _____		
	+ DK	+ DK	
126.	How long would you expect the response to take?		
		<div style="display: flex; align-items: center;"> <div style="font-size: 4em; margin-right: 10px;">{</div> <div> within 1 week 1 within 2 weeks 2 within 3 weeks 3 within 1 month 4 4-6 weeks 5 More than 6 weeks 6 DK + </div> </div>	(29)
	(Skip to next page)		
126.	For what reasons would you choose not to complain about this problem? What else?		
	Too much trouble	1	(30)
	Nothing can be done	2	
	My time is too valuable	3	
	Don't know how to complain	4	
	Don't know whom to complain to	5	
	Problem not worthy of complaint	6	
	Other (specify) _____		
	DK	+	

MY CARD QUESTIONS ARE FOR CLASSIFICATION PURPOSES ONLY

1. A. In which of the following age categories are you?

18-24 years	1	(131)
25-29 years	2	
30-34 years	3	
35-44 years	4	
45-54 years	5	
55-64 years	6	
65 years & over	7	
Ref.	8	
(X)	9	

2. What is your marital status?

Married	1	(132)
Single	2	
Widowed	3	
Separated or divorced	4	
Ref.	5	
(X)	6	

3. What is the highest grade that you completed in school?

11 years (less than high school graduate)	1	(133)
12 years (High school graduate)	2	
13-15 years (Some college)	3	
16 years (College graduate)	4	
17 years or more (Graduate education)	5	
Ref.	6	
(X)	7	

4. How many children under 18 years of age do you have living at home?

None	1	(134)
One	2	
Two	3	
Three	4	
Four	5	
Five	6	
Six or more	7	
Ref.	8	
(X)	9	

5. The person in charge of the head of your household is employed full-
time (more than 35 hours per week) and position held

(135)

APPENDIX B

DEMOGRAPHIC ANALYSIS OF RESPONSES TO THE QUESTION:

**WOULD YOU COMPLAIN ABOUT THIS PROBLEM? (THAT
MAY LEAD TO MINOR ECONOMIC LOSSES, THAT
MAY LEAD TO MAJOR ECONOMIC LOSSES,
THAT MAY ENDANGER YOUR HEALTH OR
SAFETY OR THAT MAY INVOLVE
INCONVENIENCE)**

TABLE 36

RESPONSES CLASSIFIED BY INCOME OF RESPONDENTS
AND TYPE OF PROBLEM TO THE QUESTION:
WOULD YOU COMPLAIN ABOUT
THIS PROBLEM?

Type of Problem	Respondent Income Levels	Under \$8000	\$8000 to \$15,000	\$15,000 or more	Total
<u>Total Sample</u>					
Number of total respondents		80	125	81	286
Percentage of responses		28%	44%	28%	100%
<u>Beans</u>					
Number of respondents		44	65	32	
Percentage of respondents who complain		64.9	61.3	63.0	
<u>Picture Hangers</u>					
Number of respondents		46	52	45	
Percentage of respondents who complain		65.2	63.4	55.5	
<u>Soft Drink</u>					
Number of respondents		35	73	40	
Percentage of respondents who complain		94.2	89.0	92.5	
<u>Fruit Cakes</u>					
Number of respondents		36	59	43	
Percentage of respondents who complain		97.2	96.6	99.9	
<u>Stain on Garment</u>					
Number of respondents		44	65	33	
Percentage of respondents who complain		90.9	98.4	99.9	

TABLE 36 (continued)

Type of Problem \ Respondent Income Levels	Under \$8000	\$8000 to \$15,000	\$15,000 or more	Total
<u>Life Insurance</u>				
Number of respondents	44	53	45	
Percentage of respondents who complain	97.7	99.9	99.9	
<u>Color T.V.</u>				
Number of respondents	35	72	42	
Percentage of respondents who complain	97.1	98.6	99.9	
<u>Stereo</u>				
Number of respondents	35	72	42	
Percentage of respondents who complain	91.4	89.8	88.3	
<u>Camera</u>				
Number of respondents	44	65	33	
Percentage of respondents who complain	99.9	99.9	99.9	
<u>Refrigerator Leak</u>				
Number of respondents	46	53	45	
Percentage of respondents who complain	97.8	99.9	95.5	
<u>Wrist Watch</u>				
Number of respondents	33	67	44	
Percentage of respondents who complain	66.6	68.6	70.4	
<u>Car</u>				
Number of respondents	37	64	40	
Percentage of respondents who complain	94.5	95.3	97.5	

TABLE 37

RESPONSES CLASSIFIED BY EDUCATION OF RESPONDENT
AND TYPE OF PROBLEM TO THE QUESTION:
WOULD YOU COMPLAIN ABOUT
THIS PROBLEM?

Type of Problem \ Respondent Education Level	Under High School	High School Grad.	College Plus	Total
Total sample	72	155	162	399
Percentage of responses	18	39	43	100
<u>Beans</u>				
Number of respondents	28	78	85	
Percentage of respondents to complain	67.8	65.3	67.3	
<u>Picture Hangers</u>				
Number of respondents	39	76	81	
Percentage of respondents to complain	64.1	57.8	59.2	
<u>Soft Drink</u>				
Number of respondents	42	85	75	
Percentage of respondents to complain	92.8	83.5	89.3	
<u>Fruit Cakes</u>				
Number of respondents	35	69	81	
Percentage of respondents to complain	97.1	98.5	95.0	
<u>Stain on Garment</u>				
Number of respondents	28	78	86	
Percentage of respondents to complain	92.8	96.1	97.6	
<u>Life Insurance</u>				
Number of respondents	36	76	82	
Percentage of respondents to complain	97.2	97.3	99.9	

TABLE 37 (continued)

Type of Problem \ Respondent Education Level	Under High School	High School Grad.	College Plus	Total
<u>Color T.V.</u>				
Number of respondents	41	87	76	
Percentage of respondents to complain	97.5	98.8	99.9	
<u>Stereo</u>				
Number of respondents	36	60	81	
Percentage of respondents to complain	80.5	89.8	83.9	
<u>Camera</u>				
Number of respondents	28	79	86	
Percentage of respondents to complain	96.4	99.9	99.9	
<u>Refrigerator Leak</u>				
Number of respondents	38	76	82	
Percentage of respondents to complain	94.7	97.3	98.7	
<u>Wrist Watch</u>				
Number of respondents	40	81	74	
Percentage of respondents to complain	52.5	64.1	75.6	
<u>Car</u>				
Number of respondents	38	74	81	
Percentage of respondents to complain	81.5	94.5	95.0	

TABLE 38

RESPONSES CLASSIFIED BY RESPONDENT'S NUMBER OF CHILDREN
UNDER 18 AND TYPE OF PROBLEM TO THE QUESTION:
WOULD YOU COMPLAIN ABOUT THIS PROBLEM?

Type of Problem \ Number of Children Under 18	None	One or Two	Three or More	Total
<u>Total Sample</u>				
Number of total respondents	210	122	63	395
Percentage of responses	53	31	16	100
<u>Beans</u>				
Number of respondents	95	68	30	
Percentage of respondents who complain	65.2	67.6	59.9	
<u>Picture Hangers</u>				
Number of respondents	110	61	28	
Percentage of respondents who complain	49.9	70.4	74.9	
<u>Soft Drink</u>				
Number of respondents	120	44	41	
Percentage of respondents who complain	86.6	84.0	92.6	
<u>Fruit Cakes</u>				
Number of respondents	94	70	25	
Percentage of respondents who complain	94.6	97.1	100.0	
<u>Stain on Garment</u>				
Number of respondents	95	68	31	
Percentage of respondents who complain	94.7	98.5	96.7	
<u>Life Insurance</u>				
Number of respondents	108	61	28	
Percentage of respondents who complain	99.0	98.3	96.4	

TABLE 38 (continued)

Type of Problem \ Number of Children Under 18	None	One or Two	Three or More	Total
<u>Color T.V.</u>				
Number of respondents	121	44	42	
Percentage of respondents who complain	99.1	99.9	97.6	
<u>Stereo</u>				
Number of respondents	95	70	25	
Percentage of respondents who complain	83.1	88.5	88.0	
<u>Camera</u>				
Number of respondents	95	69	31	
Percentage of respondents who complain	98.9	99.9	99.9	
<u>Refrigerator Leak</u>				
Number of respondents	110	61	28	
Percentage of respondents who complain	95.4	99.9	99.9	
<u>Wrist Watch</u>				
Number of respondents	113	43	42	
Percentage of respondents who complain	62.8	72.0	69.0	
<u>Car</u>				
Number of respondents	101	71	25	
Percentage of respondents who complain	90.0	95.7	92.0	

TABLE 39

RESPONSES CLASSIFIED BY AGE AND TYPE OF PROBLEM
TO THE QUESTION: WOULD YOU COMPLAIN
ABOUT THIS PROBLEM?

Type of Problem \ Age	Under 30	30- 44	44 Plus	Total
<u>Total Sample</u>				
Number of total respondents	107	114	174	395
Percentage of responses	27	29	44	100
<u>Beans</u>				
Number of respondents	60	56	77	
Percentage of respondents who would complain	63.3	55.3	74.0	
<u>Picture Hangers</u>				
Number of respondents	58	53	88	
Percentage of respondents who would complain	67.2	60.3	54.5	
<u>Soft Drink</u>				
Number of respondents	42	62	101	
Percentage of respondents who would complain	88.0	91.9	84.1	
<u>Fruit Cakes</u>				
Number of respondents	53	55	82	
Percentage of respondents who would complain	96.2	98.1	95.1	
<u>Stain on Garment</u>				
Number of respondents	59	57	77	
Percentage of respondents who would complain	94.9	96.4	97.4	
<u>Life Insurance</u>				
Number of respondents	59	53	85	
Percentage of respondents who would complain	99.9	96.2	98.8	

TABLE 39 (continued)

Type of Problem \ Age	Under 30	30-44	44 Plus	Total
<u>Color T.V.</u>				
Number of respondents	42	63	101	
Percentage of respondents who would complain	99.9	98.4	99.0	
<u>Stereo</u>				
Number of respondents	53	55	83	
Percentage of respondents who would complain	90.5	87.2	80.7	
<u>Camera</u>				
Number of respondents	60	57	77	
Percentage of respondents who would complain	99.9	99.9	98.7	
<u>Refrigerator Leak</u>				
Number of respondents	59	53	87	
Percentage of respondents who would complain	99.9	99.9	94.2	
<u>Wrist Watch</u>				
Number of respondents	44	62	92	
Percentage of respondents who would complain	70.4	66.1	64.1	
<u>Car</u>				
Number of respondents	51	56	91	
Percentage of respondents who would complain	94.1	96.4	89.0	

TABLE 40

**RESPONSES CLASSIFIED BY OCCUPATION AND TYPE OF PROBLEM
TO THE QUESTION: WOULD YOU COMPLAIN
ABOUT THIS PROBLEM?**

Type of Problem \ Respondent's Occupation Level	Managers r Profes- sionals	Retired	Other	Total
<u>Total Sample</u>				
Number of total respondents	118	51	231	400
Percentage of responses	30	13	57	100
<u>Beans</u>				
Number of respondents	62	24	108	
Percentage of respondents who would complain	70.9	66.6	61.1	
<u>Picture Hangers</u>				
Number of respondents	63	24	117	
Percentage of respondents who would complain	66.6	45.8	58.9	
<u>Soft Drink</u>				
Number of respondents	55	31	121	
Percentage of respondents who would complain	89.0	83.8	87.6	
<u>Fruit Cakes</u>				
Number of respondents	54	23	114	
Percentage of respondents who would complain	94.4	91.3	98.2	
<u>Stain on Garment</u>				
Number of respondents	62	25	108	
Percentage of respondents who would complain	96.7	96.0	96.2	
<u>Life Insurance</u>				
Number of respondents	64	22	116	
Percentage of respondents who would complain	100.0	99.9	97.4	

TABLE 40 (continued)

Type of Problem \ Respondent's Occupation Level	Managers or Professionals	Retired	Other	Total
<u>Color T.V.</u>				
Number of respondents	56	32	121	
Percentage of respondents who would complain	99.9	100.0	98.3	
<u>Stereo</u>				
Number of respondents	55	22	115	
Percentage of respondents who would complain	90.9	77.2	83.4	
<u>Camera</u>				
Number of respondents	62	25	109	
Percentage of respondents who would complain	99.9	96.0	99.9	
<u>Refrigerator Leak</u>				
Number of respondents	64	24	116	
Percentage of respondents who would complain	96.8	99.9	97.4	
<u>Wrist Watch</u>				
Number of respondents	55	26	120	
Percentage of respondents who would complain	67.2	73.0	64.9	
<u>Car</u>				
Number of respondents	55	27	116	
Percentage of respondents who would complain	94.5	81.4	93.9	

Tables 36 through 40 present a sample demographic analysis of the question: Would You Complain About This Problem? (That May Lead to Minor Economic Losses, That May Lead to Major Economic Losses, That May Endanger Your Health or Safety or That May Involve Inconvenience). The demographic factors evaluated are: (1) Income, (2) Education, (3) Parents with Children Under 18 Years of Age, (4) Age, and (5) Occupation.

Table 36 shows the propensity to complain is highest in the lower income groups (those persons making less than \$8,000 per year) in the beans case, picture hanger case, soft drink case, and fruit cake case. However, the propensity to complain is higher in the higher income groups in all successive cases. Table 36 generally tends to show that the propensity to complain is high regardless of income.

Table 37 shows that the propensity to complain is high among respondents generally without relationship to level of education.

Table 38 shows that the propensity to complain is higher among parents that have one or more children under 18 living at home in contrast to those parents who have no children at home. This general relationship is found in 9 of the 12 cases.

Table 39 shows the propensity to complain is high in all of the 12 cases regardless of age. No response

pattern related to age is apparent.

Table 40 shows that the propensity to complain is highest among managers or professionals in 8 of the 12 cases. Further, Table 40 shows that the propensity to complain is found to be lowest among retired persons in 7 of the 12 cases.

Thus, Tables 36 through 40 have shown that the propensity to complain is generally high among all respondents. Some variation in responses occurs in relation to certain demographic factors, but the significance of these correlations has not been tested.

APPENDIX C

SAMPLE VALIDATION: DEMOGRAPHIC ANALYSIS

TABLE 41

COMPARISON OF DISTRIBUTION OF SELECTED SAMPLE
CHARACTERISTICS WITH THOSE OF TOTAL
U.S. POPULATION, 1970

Characteristics	United States 1970 Census	Survey Sample
<u>Age</u>		
Under 5 years	7.6	None
18-64 years	not applicable	88.9
65 years and over	12.0	9.7
<u>Income</u>		
Less than \$5,000	20.3	11.2
\$10,000-14,999	26.6	22.2
\$15,000 or more	20.6	20.2
<u>Years of School Completed</u>		
Percent High School Graduates	56.4	38.7

Table 41 is not conclusive because of problems of data comparability. The U.S. average figures are from 1970 Census Data, but the data in the survey sample was gathered in 1974. The Census data further uses different classes of demographic characteristics than were used in this study in some instances. The respondent selection process biased the age sample distribution because adults were primarily selected, but not by a rigid selection rule specifying age eligibility.

VITA

Edwin Cooper Baxley, Jr. was born on February 14, 1940, in Birmingham, Alabama. He graduated from Fulton High School in Knoxville, Tennessee in 1958. He received a B.B.A. degree in marketing from Baylor University in 1963 and he received an M.B.A. degree from Louisiana State University in 1966.

In 1966 he took a position as an Assistant Professor of Marketing at the University of Southwestern Louisiana at Lafayette, Louisiana. In this position he taught 15 hours of marketing courses.

In the Fall of 1967 he began work on the Ph.D. degree in marketing at Louisiana State University. In September, 1968 he joined the marketing faculty at the College of William and Mary in Williamsburg, Virginia.

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EXAMINATION AND THESIS REPORT

Candidate: Edwin Cooper Baxley, Jr.

Major Field: Marketing

Title of Thesis: An Exploratory Analysis of Consumer Preferences and Expectations of Complaint Processes

Approved:


Major Professor and Chairman


Dean of the Graduate School

EXAMINING COMMITTEE:



Edmund R. Gray

James W. Reddock

James H. Underwood

Robert H. Howard

Date of Examination:

September 4, 1975